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# USSR Report

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27 March 1985

## USSR REPORT

## USA: ECONOMICS, POLITICS, IDEOLOGY

No. 12, DECEMBER 1984

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

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## ROLE OF MONEY IN AMERICAN ELECTIONS

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[Article by N. A. Sakharov]

[Text] In every American election campaign attention is focused not only on the candidates' personalities and their campaign promises, but also on their campaign expenses. There is a proverb of long standing in American political folklore: "Money is the mother's milk of politics." The candidates' and parties' financial "donors" include businessmen, labor unions and various public organizations--from extreme rightwing groups to leftist radical ones. In spite of this variety of financial sources, however, the dominant force is still the giant monopolies with their colossal financial resources. American political activity constantly corroborates Lenin's belief that the monopoly in the capitalist society "permeates all spheres of public life with absolute inevitability."<sup>1</sup>

Powerful banks and corporations, the chief business organizations and the biggest monopolists have a tremendous effect on the outcome of elections, and then on the policy of those the elections put in office. For this reason, an important part of any definition of the driving forces of U.S. foreign and domestic policy is the disclosure of the precise segments of the American bourgeoisie supporting the candidates of the leading parties. Besides this, an understanding of the specific nature of American politics necessitates the consideration of such factors as patterns of campaign spending, the present forms and methods of campaign funding by business organizations and the nature and degree of interparty division in the American business community.

### How Much Campaigns Cost in the United States

Statistics for the last 25 years illustrate the rapid growth of the amount spent on campaigns in the United States (see Table 1).

Presidential campaigns are particularly costly: The amount spent in 1972 was 138 million dollars, 4 years later it was 160 million, and in 1980 it was already around 250 million.<sup>2</sup>

Huge sums are also spent on Senate and gubernatorial races. In the 1982 gubernatorial election in the state of New York, Republican candidate

L. Lehrman set something of a "record" by spending 13 million dollars. But this was apparently not the limit. The Republicans and Democrats running in the Senate race in North Carolina in 1984 spent a total of 25 million dollars.

What are the reasons for the constant rise in the cost of campaigns in the United States? Bourgeois political analysts have cited a number of causes. One of them, they say, is the unprecedented rise in the rate of inflation in the United States throughout the 1970's. It was not until the 1980's that this rate declined slightly. Another cause is connected with the increase in American voters, resulting from population growth, the broader participation of black Americans in elections, the lowering of the voting age from 21 to 18 in the 1970's and the increased election activity of women. Bourgeois politicians are spending more in an attempt to reach this larger voting public.

Table 1

Cost of Campaigns in the United States

<u>Election year</u>	<u>Total cost, millions of dollars</u>
1960	175
1964	200
1968	300
1972	425
1976	540
1980	900
1984	around 1,000

"Dollar Politics," 3d ed., Congressional Quarterly, Inc., Wash., 1982, p 9; U.S. NEWS AND WORLD REPORT, 16 July 1984, p 92.

According to American political analysts, however, the main cause of the rapid rise in campaign costs is the extensive use of costly state-of-the-art technology in campaigns, especially the intensive use of television. Since the beginning of the 1960's television has played a significant role in U.S. politics and has become one of the main factors affecting public opinion. Rival candidates strive to buy as much television time as possible to influence voters. In the 1976 presidential campaign G. Ford and J. Carter spent a total of around 17 million dollars on television. Moreover, the price of television time in the United States is constantly rising. A minute of prime time now costs around 150,000 dollars. In 1983 the Democrats bought 6 million dollars' worth of time from NBC to show a special fundraising program. The Republicans spent over 2 million dollars just to show their TV film "Ronald Reagan's America."

The campaign organizations of candidates for the U.S. presidency and for congressional and gubernatorial seats and the mayoral candidates in big cities include many professional campaign managers and other experts. Whereas these organizations were once made up primarily of political advisers who counseled the candidates on a broad range of matters, they have now been replaced by

"teams" of highly specialized professionals. Some specialize in speech-writing, others specialize in political strategy and tactics, others specialize in the latest fundraising methods (for example, by means of computerized mailings to voters), still others specialize in planning campaign itineraries, etc. These "teams" also include legal advisers, advisers on political advertising and even engineers who arrange for the automatic solicitation of votes by telephone.

Expert pollsters occupy a prominent place among these professionals. The results of constant public opinion studies during the preparations for elections largely determine the directions of campaigns; this is why the organizers of these polls receive extremely high fees for their services. At the end of the 1970's, for example, a poll conducted within just one state could cost from 8,000 to 40,000 dollars. Another figure is even more indicative: Between January and April 1984 the Republican Party National Committee paid the Decision Making Information firm 983,000 dollars to conduct public opinion polls to judge the popularity of its candidates.<sup>3</sup>

Campaign costs also include the traditional expenditures on the registration of new voters, the printing of posters and leaflets, the manufacture of campaign buttons, the organization of receptions and luncheons, the planning of entertainment events for party bosses and convention delegates, the organization of campaign rallies and press conferences, the leasing of cars and airplanes, the rental of campaign headquarters for candidates, etc. The present intensification of the contradictions of American capitalism is making it increasingly difficult for ruling circles to keep the masses within the mainstream of bourgeois politics. For this reason, the election machinery of the dominant class must now spend truly gigantic sums on mass-scale and much more subtle propaganda. It is not surprising that the amount spent on campaigns in the United States has now reached, according to the latest data, 1.8 billion dollars.

The colossal rise in campaign costs is making the bourgeois-democratic concept of "equal opportunities" in elections even more meaningless. Low-income strata in the American society, not to mention the underprivileged masses, are absolutely incapable of participating "equally" in the electoral process. The position of wealthy strata and of the dominant class as a whole, however, is growing stronger.

It is indicative that rich businessmen are enthusiastically running for various elective offices in government under the present conditions of the constant rise in campaign costs, and many of them have won these elections. In particular, more than 20 senators in the 98th Congress were worth a minimum of a million dollars and were closely connected with influential business groups.<sup>4</sup>

Several American bourgeois political analysts have noted that many of the old monopolistic groups once dominant in U.S. economics and politics have lost their previous influence. It is true that the balance of power in the U.S. ruling elite changes periodically, new monopolistic groups make their appearance, and the struggle between "old" and "new" money is intensified. Senator F. Lautenberg or, for example, E. Shaw, the head of a California electronics

firm, System Industries, who was elected to the House of Representatives in 1982, are typical members of the nouveau riche who are accumulating political potential in U.S. ruling circles. On the other hand, some families belonging to the American financial-industrial aristocracy still have considerable influence today, guaranteeing them election victories when it is combined with their money. For example, until the 1984 election a member of the Rockefeller family, Democrat J. Rockefeller IV, was the governor of the state of West Virginia, and a member of the du Pont family, Republican P. du Pont, was the governor of Delaware.

The fact that four of the last six presidents have been millionaires is also directly connected with the high cost of campaigns. They were J. Kennedy, L. Johnson, J. Carter and R. Reagan. As for the two others, R. Nixon and G. Ford, they relied on the support of several big businessmen in their race for the White House and consequently had the necessary campaign funds.

In general, the present cost of presidential campaigns is so high that the personal wealth of the candidate, however great it might be, is no longer enough. Virtually each presidential candidate has been backed up by a large group of supporters and financial patrons.<sup>5</sup>

This is exactly how Ronald Reagan's political career began after a group of businessmen took an interest in this former run-of-the-mill Hollywood actor in the mid-1960's. His mentors and financial backers were not only the ultra-rightwing California millionaires who later became part of his "kitchen cabinet"--J. Dart, H. Tuttle, E. Jorgensen, J. Coors and H. Salvatori--but also such prominent American businessmen as T. Jones, the head of the Northrop military-industrial company, W. Annenberg, the publisher of TV GUIDE, the American magazine with the highest circulation figures, and F. Hartley, chairman of the board of the Union Oil company.<sup>6</sup> They were the ones who "launched" Reagan into political orbit by investing considerable sums in his race for the California gubernatorial seat and then in his race for the White House.

Therefore, campaigns in the United States have long been a special branch of political business with a financial turnover of millions. What is the "technology" of this business? In other words, what methods do businessmen use to finance their favorites?

#### How Business Gets Around the Laws

The United States has long been distinguished by the widespread corruption permeating the entire national electoral system, which American propaganda portrays as the "most democratic in the world." It is true that under the pressure of democratic forces U.S. ruling circles have periodically had to pass laws to declare limits on the role of "big money" in elections.

The first law regulating the financing of campaigns was passed in the United States back in 1867. It was followed by many other laws pertaining to this sphere (the civil service reform act of 1883, the Tillman Act of 1907, the corrupt practices acts of 1910 and 1925 and others). They prohibit campaign



contributions by civil servants, outlaw direct contributions by companies, banks and labor unions, demand that candidates identify their major campaign "donors" and set limits on campaign spending.<sup>7</sup>

All of this legislation, however, turned out to be ineffective, inconsistent and incapable of withstanding the pressure of big capital. The monopolies found numerous ways of getting around the law and continued to invest gigantic sums to put "their people" in federal and local government offices. As one presidential message to the U.S. Congress in the mid-1960's acknowledged, the laws regulating campaign financing were "more loopholes than laws."<sup>8</sup>

In 1971 a new law was passed on campaign finances. This was the first law to set "ceilings" on candidates' expenditures on radio and television advertising and to make the disclosure of all financial contributions and of all campaign expenditures compulsory.<sup>9</sup> The liberals celebrated a victory, but just a year later the monopolies again clearly demonstrated the power of "big money" in the 1972 presidential election. After the Democrats nominated liberal G. McGovern as their candidate, the overwhelming majority of businessmen supported the Republican candidate, President R. Nixon, in his bid for reelection. Personal contributions to his campaign exceeded a million dollars. For example, Chicago insurance magnate K. Stone contributed over 2 million dollars, and publisher R. Scaife from the Mellon family contributed over 1 million. In general, the ratio of multimillionaires' contributions to Republican and Democratic candidates in this election was 10:1. This helped Nixon win an overwhelming victory over his opponent.

As we know, it was precisely during this campaign that the "Watergate affair" began. The investigation of this scandal led to the resignation of President Nixon and also revealed the sweeping financial manipulations of many large business concerns during the campaign. The violators of campaign laws turned out to be such giants of American big business as American Airlines, Minnesota Mining & Manufacturing, Greyhound, Gulf, Northrop and others.<sup>10</sup> The courts charged 21 companies with illegal transfers of large sums of money for campaign purposes. These facts and other similar revelations were covered extensively in the press, and some new laws were passed in the 1970's to establish a legal framework for the campaign funding process.

According to this legislation, which applies to presidential campaigns and to campaigns for the U.S. Senate and House of Representatives, a private individual cannot contribute any more than a thousand dollars to the campaign of any one candidate, and total private contributions to candidates, party committees and various campaign organizations cannot exceed 25,000 dollars a year. Furthermore, a candidate cannot accept more than 5,000 dollars in contributions from a "political action committee" established by a bank, company, business association, labor union, sociopolitical organization or group of individuals.

The legislation passed in the United States in the 1970's on the wave of the "post-Watergate syndrome" instituted the partial public financing of presidential campaigns. Now a contender for the presidency from one of the leading bourgeois parties can qualify for federal funds in the primaries if he collects

at least 5,000 dollars in contributions of 250 dollars or less in each of 20 states. His total contributions cannot exceed a specific limit, set for each election year with adjustments for inflation. In 1984 the limit was 14 million dollars. The federal campaign funds, with a "ceiling" of around 10 million dollars in 1984, were equivalent to the contender's total contributions of under 250 dollars. During the 1984 primaries, for example, W. Mondale received 7.2 million dollars, G. Hart received 4.2 million, J. Jackson received 1.9 million, and the Republican candidate, R. Reagan, received the maximum of 10.1 million dollars.<sup>11</sup> By law, all of the contenders receiving federal funds must limit their total expenditures during the presidential primaries. In the 1984 campaign the limit was 24.4 million dollars.

Besides this, the Republican and Democratic national conventions were partially financed with public funds. The national committees of each of these parties received public funds, and this amount also changes with each campaign. In the 1984 campaign it was 8 million dollars (after a law was passed in July of this year on the allocation of an additional 2 million dollars to each party for "more effective security for convention delegates").

After the Republican and Democratic presidential candidates have been nominated at the conventions, they can receive millions more in public funds on the condition that they use only these funds in the concluding stage of the campaign and have no private sources of funding whatsoever. In the 1980 presidential campaign R. Reagan and J. Carter received 29.4 million dollars each after they had been nominated. In the 1984 campaign the figure was set at 40.4 million dollars.

In addition, the 1974 law established a Federal Elections Commission to regulate the financing of campaigns at the federal level of government (that is, presidential and congressional campaigns). It consists of six members, three Republicans and three Democrats, who are appointed by the President with Senate consent for a term of 6 years. This government body regularly receives the candidates' official reports on campaign expenditures and the sources of their campaign financing. It is this commission that distributes public funds among contenders for the presidency.

After the new campaign legislation was passed in the 1970's, the American liberals were overjoyed. J. Gardner, the head of Common Cause, a bourgeois-reformist organization, described this legislation as "a triumph for all those who have made a persistent effort to clean up national politics." "The fat cats," he said, referring to large contributors, "will never have another chance to buy elections or politicians."<sup>12</sup> Objective statistics, however, dispelled the liberal illusions. Total contributions from so-called "special interest groups" to candidates for the U.S. Congress after the new legislation went into effect rose from 12.5 million dollars in the 1974 campaign to 22.6 million in 1976 and to 55.3 million in 1980. The same Gardner had to admit in reference to the 1976 congressional elections that "many congressmen were bought and sold in 1976 just as they were in the good old days, with the sole difference that prices are now higher."<sup>13</sup> And it was true that "big money," especially funds received from the largest banks, companies, business associations and financial and industrial magnates, remained a powerful force in elections.

It is true that business initially took an extremely guarded approach to the campaign funding reforms. After the new laws were passed, business groups launched a powerful campaign of lobbying to neutralize the legal provisions limiting the size of large campaign contributions. In 1974 a law was passed to institute new limits on campaign spending, but the same law repealed the provision of the 1971 act on the limitation of campaign expenditures on the mass media. Besides this, the 1974 law allowed federal "contractors"--both companies and labor unions--to create "political action committees," primarily to raise funds for campaigns.

The next year, in 1975, the Federal Elections Commission decided in response to a request from Sun Oil, one of the largest oil companies, that the company could collect campaign contributions from administrative personnel, stockholders and blue- and white-collar workers for its "political action committees." This decision was protested vehemently by labor unions, which were allowed to solicit contributions for their campaign "political action committees" only from union members, and not from all blue- and white-collar workers. In 1976 another law was passed to allow companies to solicit campaign contributions from their stockholders twice a year, and labor unions to solicit funds--also twice a year--from union members and non-members.

Besides this, the 1976 law allowed candidates for the presidency and vice-presidency to spend no more than 50,000 dollars of their own funds (or their families') even if they had received federal funds. The main "gift" to business in this law was the cancellation (with a view to the Supreme Court decision on Buckley v. Valeo) of the limits stipulated in the 1974 law on the expenditures of candidates for the Senate and House of Representatives and of so-called "independent" political action committees. The latter are campaign organizations which have no official connection to any candidate but can support any contender for a federal elective office. Besides this, the 1976 law gave presidential candidates the option of spending unlimited sums (including their own money) on campaigns if they waived the public funds.

In general, big business and the conservative groups behind it were able to achieve the substantial revision of the liberal legislation aimed at limiting corruption in the electoral system. Such powerful congressional lobbies as the Chamber of Commerce, the Business Roundtable and the National Association of Manufacturers are constantly mobilizing all of their political resources to block all attempts to institute the partial or complete public financing of elections to the Senate and House of Representatives.

Another immutable feature of the legislation is its obvious discrimination against third parties: Only the candidates whose parties received more than 5 percent of the vote in the previous presidential election are eligible for public campaign funds. It is extremely difficult for third parties, especially progressive forces, to reach the general voting public under the conditions of the dominant two-party system in the United States. In connection with this, CP USA National Chairman H. Winston said: "We usually have to hear long discussions about freedom of speech, but there is no real freedom of speech as long as candidates supported by corporations can pay for all the radio and television time they need or receive it for free while candidates from our

party or other independent candidates without these funds have no chance of equal participation in national debates."<sup>14</sup>

One of the main methods used by the business community to finance favorite candidates is the collection of contributions by the "political action committees" established by individual companies and banks.

Since individual contributions to campaign committees are limited to a thousand dollars, the companies and banks which establish these committees strive to reach as many investors as possible. The actions of the Coca-Cola company are indicative in this respect. The political action committee it set up for the 1976 election raised funds in support of J. Carter and received the largest contributions from the company's 8 top executives, 10 members of its board of directors and 10 executives of the Trust Company of Georgia, which is closely connected to Coca-Cola. Besides this, members of the families of these businessmen contributed to the Coca-Cola committee.<sup>15</sup>

Some companies collect funds from many stockholders. This is practiced quite extensively by Sun Oil, many of the stockholders of which regularly turn part of their dividends over to the company political action committee. In this way, Sun Oil collected around 40,000 dollars for the 1980 campaign.

Besides this, monopolies exert strong pressure on blue- and white-collar workers, forcing them to contribute to the campaign committees of the companies and banks employing them. At the end of 1979, for example, the machinists and aerospace workers union protested the practices of 10 large companies (Dart Industries, General Electric, Grumman, General Motors and others) to the Federal Elections Commission, stating that these companies were filling their campaign committee treasuries with compulsory contributions by workers. The commission, however, openly took the side of big business and denied the complaint.

In this way, the political action committees of big business amass considerable sums by hook or by crook for the support of the monopolies' proteges. The largest sums for the 1982 congressional campaign were collected by the committees of Tenneco (425,000 dollars), Grumman (225,000), Citicorp (223,000), American Family Corporation (200,000) and Wynne-Dixie Stores (200,000).

The political action committees of sectorial business associations, with tens of thousands or hundreds of thousands of members, make even larger campaign contributions. As a rule, these associations create an entire network of political action committees, representing the interests of capitalists in a specific industry.

So-called independent or ideological political action committees also contribute huge sums to the business community's favorites. The leading ones are the extreme rightwing organizations which form a united front with the committees of banks, companies and business associations. Such "independent" committees as the National Conservative Political Action Committee, the Congressional Club, Citizens for a Republic, the Committee for the Survival of a Free Congress and others have spent all recent campaigns organizing loud publicity

in support of Republicans and their leader, Ronald Reagan, and uncereemonious attacks on candidates taking a liberal stand or candidates connected with the labor unions and the peace movement. The Congressional Club alone collected 7.9 million dollars for these purposes for the 1980 campaign and around 10 million dollars for the 1982 campaign.

The officially "independent" committees use loopholes in campaign funding legislation to circumvent the limits on individual contributions and on total campaign expenditures. Making use of these, Texas industrialist S. Hadden, for example, contributed around 600,000 dollars to Republicans in the 1980 campaign through committees of this kind; more than 413,000 of the total paid for newspaper ads in support of Ronald Reagan. In all, "independent" committees spent more than 12 million dollars on Reagan's campaign in 1980.

On the whole, the political action committees are an important fundraising channel in the United States. They have accounted for an increasing share of total campaign contributions (from 13.7 percent on the average in the congressional campaign of 1972 to 25.3 percent in 1980). But business is certainly not confining itself to this form of campaign financing.

Many businessmen bypass the political action committees and mail contributions directly to the campaign funds of the business community's proteges. The system of fundraising by mail is now the most widespread method of soliciting political contributions. According to the press, during the first stage of the 1984 election the organizers of Reagan's presidential campaign collected approximately two-thirds of all campaign contributions by mail, and the number of financial "donors" was around 2.2 million. There is no question that a high percentage of them were businessmen and members of their families.

Large sums are also collected during various receptions, luncheons and other such events honoring the candidates. Wealthy businessmen are the key figures in these as well. For example, big businessmen collected 300,000 dollars for Mondale's campaign fund at a luncheon honoring him just before the primary election in New York in April 1984. At a banquet in Washington in May 1984 supporters of the Republican Party from financial-industrial circles collected the record sum of 5 million dollars for Reagan's campaign.

There are many other signs of the overwhelming financial superiority of the dominant class in elections. One is the extension of generous loans and credit by banks and other financial institutions to their proteges when they run out of campaign funds.

Wealthy candidates are still financing their campaigns largely with their own money. The gubernatorial campaigns of L. Lehrman in New York and J. Rockefeller in West Virginia are indicative in this respect: The former spent around 7 million dollars of his own, and the latter contributed 1.2 million dollars to the "Friends of Governor Rockefeller" committee, while all of the other "friends" combined contributed 61,000 dollars.

Business groups bypass legislative limits by contributing to the campaign funds of state party organizations. These contributions are not taken into



account by the Federal Elections Commission and are then privately transferred to the business community's candidates for federal elective offices.

On the whole, the passage of all the laws on campaign financing in the 1970's merely modified the forms and methods of this financing but did not weaken big capital's dominant position in the electoral process.

#### How the 1984 Election Was Financed

It has long been known that the two-party system is an important instrument of political domination by the American bourgeoisie, especially its monopolistic elite. Both Democrats and Republicans reliably protect the interests of the dominant class. The overwhelming majority of American businessmen are more likely to support the Republican Party, however, because it pursues a more conservative policy with many points in common with the ideological and political views of most of the U.S. business community.

The alliance between big businessmen and the Republicans has become even stronger under the Reagan Administration, which is the most pro-monopolist administration in all postwar U.S. history. Government's interaction with business has been most clearly apparent in the administration's anti-labor policy. As CP USA General Secretary G. Hall noted: "The joint offensive launched by Reagan and the corporations is in full swing." This offensive has led to the dramatic deterioration of conditions for the working public and a considerable rise in the income of monopolies. This is why 9 out of 10 American corporate executives polled by the Gallup Institute and the WALL STREET JOURNAL in January 1984 were in favor of Reagan's reelection.

Ronald Reagan's ultra-rightwing California millionaire supporters--H. Tuttle, H. Salvatori and E. Jorgensen--played a prominent role in his presidential campaign, just as they have in his past campaigns. The military-industrial complex gave him strong support. His campaign fund received contributions from representatives of such leading Pentagon contractors as General Dynamics, Lockheed, Rockwell International, McDonnell-Douglas, Northrop and Hughes Aircraft. The lists of the Republican candidate's financial "donors" also included the names of executives of many leading banks and corporations--Morgan Guaranty Trust, Citicorp, IBM, Exxon, Mobil, Dow Chemical, Bechtel and Caterpillar--and members of the Rockefeller and Ford families. One of Reagan's campaign managers was his former secretary of transportation, A. Lewis, a millionaire from Philadelphia who is now chairman of the board of Warner Amex Communications. Reagan was also actively supported by several leading businessmen from California and Texas--Dallas billionaire R. Perot, Houston oilman R. Mosbacher, Hewlett-Packard head D. Packard and top executives from Litton Industries and Texas Instruments. With his zealous support of Israel's most expansionist ambitions, Reagan also won the assistance of the American Zionist groups playing a substantial role in American campaign financing.

With the broad support of the business community, the Republicans had a tremendous financial advantage over the Democrats in the 1984 election. By the end of summer 1984 the Republican Party national campaign committees alone had raised 76 million dollars, whereas the Democrats' organizations were able to collect only 13.3 million dollars for their candidates.<sup>16</sup>

The Democrats have traditionally lagged behind the Republicans in terms of campaign spending. Nevertheless, they also receive considerable support from influential business groups in the United States.

It is significant that Mondale's contributors included some representatives of the military-industrial complex from such companies as Boeing, Northrop, LTV and Fairchild Helicopter. This demonstrates the characteristic pragmatic behavior of many American businessmen in elections: They contribute to candidates from both parties so that they can have influence in government regardless of the outcome of the elections. This is also why the largest monopoly, Bechtel, two former executives of which--G. Shultz and C. Weinberger--are leading figures in the Republican administration, made large contributions to Republicans and Democrats in the 1984 election.

In contrast to his former Democratic Party rivals, G. Hart, J. Glenn and J. Jackson, W. Mondale did not experience any particular difficulty in financing his campaign. By March 1984--that is, at the height of the primaries--Mondale's expenditures totaled 17.6 million and Hart's amounted to only 3.8 million.

In his campaign, Mondale walked a tightrope between different sociopolitical forces. At the convention in San Francisco he called himself the "candidate of the people" in contrast to Reagan, the "candidate of the corporations." He said: "We now have a government of the rich, by the rich and for the rich. To the corporations and, in general, to all those who live off others, who use various loopholes and who do not pay taxes, I say that your practice of living at the expense of others is over." But when he was interviewed by FORTUNE, the business community magazine, he said: "I think businessmen will be quite happy with me." The article accompanying this interview, "What If Mondale Wins?" confidently predicted: "When he enters the Oval Office, Mondale will indisputably take a more pragmatic position."<sup>17</sup>

Therefore, the two-party system secures the political supremacy of monopolies regardless of the outcome of elections.

The intensification of signs of crisis in the American capitalist society, however, has been accompanied by louder social protests by the masses against the authoritarian practices of big business. The successes of American communists in the campaign also attest to this. In contrast to the bourgeois parties, which operate primarily on the funds of "moneybags" and big capital, the Communist Party, USA, relies on a fundamentally different source of financing--contributions from the working public. It was precisely the support of average Americans that allowed G. Hall's announcement of the CP USA platform for the 1984 election to be published in the NEW YORK TIMES as a paid advertisement.<sup>18</sup> In spite of the current outbursts of anti-Sovietism and anti-communism, the communists were able to register their candidates for the 1984 presidential election in more than 20 states, including some of the largest industrial states.

Progressive forces are making an increasingly resolute effort to democratize the American electoral system and oppose the domination of elections by the dollar.

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## 'DESTABILIZING' NATURE OF SPACE-BASED ANTIMISSILE DEFENSES

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(signed to press 19 Nov 84) pp 16-28

[Article by A. G. Arbatov: "Limitation of Antimissile Systems: Problems, Lessons and Prospects"]

[Text] The aggravation of international tension and the growing threat of war have been caused by the policies of the imperialist states, headed by the United States, pursuing the course of achieving military superiority over the USSR. It is for this purpose that the large scale programs of increasing the military, primarily nuclear, arsenals are being implemented at an accelerated pace. The U.S. attempts at breaking the military equilibrium, particularly by deploying first-strike nuclear missiles in Western Europe, led to the breakdown of the Geneva negotiations and to a disorganization of the entire nuclear arms limitation and reduction process.

K. U. Chernenko, general secretary of the CPSU Central Committee and chairman of the Presidium of the USSR Supreme Soviet, has said: "The danger of a nuclear war breaking out has grown and continues to increase.... The security of the United States itself has not been strengthened but has decreased."<sup>1</sup>

The U.S. programs in the sphere of offensive strategic armaments and forward-based medium-range nuclear weapons, apart from a further increase in the number of their nuclear warheads (by 50 percent in the 1980's), are mainly aimed at increasing the American first-strike potential against silos. They are intended to constitute a threat to Soviet strategic weapons and to provide a possibility for preventing a Soviet counterstrike or at least a possibility for reducing American losses from such a strike to some kind of an "acceptable level."

At the same time, as the American offensive strategic programs are gaining momentum, the understanding of the enormous difficulties that the administration will encounter in its attempts at achieving superiority along this road is maturing among some U.S. congressmen and among military-strategic and technical specialists. The steady strategic equilibrium, the enormous power, high combat readiness and vitality of Soviet strategic weapons and the effectiveness of Soviet distant detection and warning and guidance and communications systems make a crushing retaliatory strike against the aggressor absolutely inevitable under the conditions of any scenarios of unleashing the

war. The countermeasures taken by the socialist countries, both in the sphere of strategic arms and in the sphere of medium-range and operational-tactical nuclear weapons, ensure that the aforementioned situation will be maintained on the basis of the stability of strategic parity.

"Thanks to the measures taken by us, the nuclear equilibrium is being restored," Marshall of the Soviet Union D. F. Ustinov, member of the CPSU Central Committee Politburo and USSR minister of defense, has said in this connection, "but, of course, restored at a higher level. The sides have increased the number of nuclear warheads aimed at one another's targets, the time for making a decision to respond to a nuclear attack or to an unintentionally caused nuclear situation has been shortened, and the trust between the states has been undermined."<sup>2</sup>

In this sense, it is possible to speak about the effects of a special kind of law of diminishing returns in the sphere of strategic balance. In other words, in view of the already enormous stockpiles accumulated by both powers and in view of the countermeasures within the reach of the other side, new investments of resources for offensive weapons are producing smaller and smaller returns if we consider the question from the viewpoint of a change in the correlation of forces in real terms, and not simply from the viewpoint of a further multiplication of the arsenals of the multiple annihilation of all life on earth.

However, even the recognition of this truth, in which, incidentally, the Reagan Administration has not been successful, frequently leads to different conclusions. On the one hand, the movement for a nuclear freeze, the end of the arms race and the subsequent reduction of nuclear arsenals through agreements with the Soviet Union is growing in the United States. But on the other hand, the military-industrial complex and its political detachments are increasing the pressure for the development of essentially new weapons and methods to achieve superiority in peacetime and to win a possible war, and for a corresponding revision of the American military doctrine and strategic concepts. For this reason, they are striving to prevent a solution that will provide a way out of the stalemate situation in the negotiations between the USSR and the United States, not to allow the beginning of a dialogue on new problems, and to undermine existing agreements.

The U.S. development of new weapon systems that are called "defensive" is assuming an increasingly dangerous character in this respect. It must be immediately noted that the traditional approach to the term "defensive" is unsuitable in application to nuclear missiles. Defense under the conditions of the accumulated arsenals of nuclear weapons is not primarily based on the capability of direct protection against these weapons but on the capability of inflicting a crushing counterstrike in the event of an enemy attack. The means of protection therefore turn into the very opposite--that is, they serve the purpose of aggression inasmuch as they are able to weaken or neutralize the counterstrike of the side that has been subjected to an attack. It is precisely in this kind of defense sphere that the strategic force of the Reaganite leadership is most clearly distinct from the policy of its predecessors. Since the start of the Republican Administration a sharp leap



has been made in the financing of research and development in this field. Under the 5-year program for fiscal years 1983-1987, a total of 6 billion dollars has been allotted for the research and development of long-term projects in the antimissile sphere alone. In the 1985 fiscal year the Pentagon's requirements for research and development and for purchases for antimissile, antiaircraft and antispace-weapon systems amounted to 2.3 billion dollars and, according to preliminary estimates, the corresponding needs for fiscal year 1986 will amount to 4.5 billion dollars. Under the previous administration, the average annual expenditures in these fields amounted to about half a billion dollars.<sup>3</sup>

The U.S. development of antimissile systems is seemingly proceeding along two main technological lines that merge on the visible horizon. One of them is the development of various projects on the basis of the latest achievements in the technology of radars and other sensors, high-speed computers and perfected nuclear and non-nuclear interception weapons. What is involved is a system of "target defense" (site defense) [English term used] as a perfected variation of the old Safeguard antimissile defense system, as well as of more refined projects of the type of mobile small-size module system of "low-altitude defense" (LOADS) [English acronym used] designed to provide a screen over the launch complexes of intercontinental ballistic missiles (ICBM) and other defended or mobile targets. Even more far-reaching plans--designed to provide a screen over entire regions of U.S. territory--are connected with the "multi-layered (multi-echelon) defense" (layered defense) [English term used] project combining the above-atmosphere non-nuclear interception of warheads with the low-altitude defense of the individual targets either by means of "site defense" or by LOADS.<sup>4</sup>

The other main lines are the essentially new deals in the development of combat means and methods, such as the militarization of outer space and the development of laser and particle beam weapons. In fiscal year 1983 a total of 10 billion dollars was appropriated for the Pentagon and NASA for the use of outer space for military purposes, and by 1988 the appropriations of the Pentagon alone for this purpose will increase to a total of 14 billion dollars. The U.S. plans and programs have now moved from the stage of the use of near-earth space for auxiliary military tasks (early warning, communications, navigation and reconnaissance satellites) to the stage of preparations for direct combat in near-earth space and for the construction of space attack weapons. The United States has started a full-scale testing of a new anti-satellite system (ASAT) of the F-15 ASAT type. Space ships like the Chatter Columbia are intended to discover qualitatively new possibilities for launching satellites into orbit, for servicing them and for carrying out anti-satellite actions. Future and much more effective antisatellite systems are connected with setting up the orbital stations equipped with laser weapons. The sum of 430 million dollars was appropriated for the development of various models of this kind of station in fiscal year 1983.<sup>5</sup>

According to Washington's plans, the two directions of the U.S. military-technical program, the development of new antisatellite systems and the militarization of outer space, should merge at a certain point and culminate in the construction of space-based antimissile systems. The latter are

linked primarily with the use of guided energy transmission which, according to the claims of its promoters in the United States, will represent a revolution in the nuclear era's doctrines.<sup>6</sup>

The Reagan Administration's strategic concepts and arguments are aimed at achieving a shift in world public opinion's, including American public opinion's, existing ideas about ensuring security in the nuclear age on the basis of the military-strategic parity between the USSR and the United States. What is involved in particular in this connection is the fact that the general public bases its ideas on the belief that, in view of the ability of each side to carry out a retaliatory strike against the enemy under any circumstances, nuclear aggression cannot be committed with impunity. What is also involved is a widespread belief in the destabilizing role of anti-satellite defense as a means aimed at liquidating the retaliatory strike capability of the other side and at ensuring that nuclear aggression can be committed with impunity. All these views in their totality were incorporated at one time in the foundation of the Treaty on the Limitation of Anti-Ballistic Missile Systems and the Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms and the SALT II treaty.

President Reagan's speech on 23 March 1983, which initiated a radical revision of these ideas at the highest level of government, was intended to ensure political support for the new programs in the field of "defensive" weapons and to justify a further increase in appropriations in this sphere.<sup>7</sup>

As these U.S. programs continue to be developed, the 1972 Soviet-American Treaty on the Limitation of Anti-Ballistic Missile Systems and the 1974 Protocol to this treaty are turning into increasingly tangible political and military-technical obstacles for the U.S. military-industrial complex. The treaty hampers the Reagan Administration's efforts to substantiate the desirability and feasibility of the plans to cover the American territory with a screen against nuclear missiles. It prevents the administration from pushing through a number of existing and essentially new antimissile systems that are wholly or partially banned under some provisions of the treaty.

Therefore, for a number of years now, the Treaty on the Limitation of Anti-Ballistic Missile Systems has been subjected to increasingly bitter attacks in the United States. American aggressive circles are striving to shake and, in the final analysis, completely undermine the treaty.

The political significance of the Treaty on the Limitation of Anti-Ballistic Missile Systems lies in the fact that it is the only agreement in the sphere of strategic arms limitation that is fully in effect under law, is of a radically limiting nature and of unlimited duration and provides for a systematic mechanism for its functioning--that is, the verification of observations and the clarification of disagreements and misunderstandings. The treaty is seen by the world public as a symbol of the possibility to achieve mutually acceptable agreements between the USSR and the United States on the most sensitive and complex questions of national security. In the minds of people it is closely associated with the possibility of detente and of mutually beneficial cooperation between states with different social systems. The

Treaty on the Limitation of Anti-Ballistic Missile Systems represents a strategic and political "anchor" without which the hopes to restrain military rivalry would be definitely and irreversibly blown away by the political storms and powerful currents of scientific and technical development.

The treaty's strategic significance lies in the fact that, on the basis of strict observance of the principle of parity and the equivalent security of the sides involved, it imposes rigid limitations on the quantitative composition, on the structure of individual elements, on the qualitative characteristics and on the deployment of Soviet and U.S. antimissile defense systems. It prohibits the construction, testing and development of other forms and types of antimissile defense--that is, the sea-based, air-based, space-based or mobile land-based systems--as well as the deployment of antimissile defense systems beyond the national territories of the two powers. For more than 10 years, these limitations have in fact frozen the accumulation and modernization of weapons in this sphere, even though the development of some technical projects could continue in laboratories and design centers.

In the past decade, the strict quantitative and qualitative limitations imposed on the antimissile defense systems have considerably deprived the strategic concepts of reducing American losses in a nuclear war to an acceptable level of their material basis and have consequently rendered groundless the very idea of victory in such a war. Since it is impossible to reduce losses from a retaliatory strike by the other side, a first strike is thereby rendered senseless. Although these considerations connected with the limitation of the antimissile defense systems, despite their logic, have not been unreservedly and unanimously recognized in the United States in the past, they have nevertheless played a major role. What is involved here is both a reduction of mutual fear and suspicion between the two powers and the dissipation of certain far-fetched illusions regarding possible survival in a thermonuclear war and regarding the effective use of nuclear threats in politics.

A period of more than 12 years since the signing of the ABM treaty is a sufficiently long period for reflecting upon certain lessons of the history of its signing and on the lessons of the history of the subsequent course of strategic arms limitation talks.

The first agreement within the SALT sphere, the ABM treaty, was achieved with great effort. Both sides had to overcome the most complex problems in the search for a compromise. But an accurate and mutually acceptable balance of interests was found despite all of the geostrategic, technical, doctrinal and diplomatic differences between the USSR and the United States. And this was not achieved as a result of some magical scheme of agreement, but primarily because of the presence of the interest and political will to achieve it. This interest and political will outweighed all political, strategic and technical difficulties.

It seems that now too the main condition for progress in the matter of START is not to be found in the advancement of newer and newer "original" schemes of the "reduction-through-modernization" type but in the existence of good

will and sincere and consistent striving for agreement. As these qualities appear to be the most lacking in the policy of the current U.S. leadership, the American advocates of agreement, including those in the Congress, should clearly understand that the situation cannot be corrected simply by introducing new models, no matter how original they may appear at first glance. They only promote self-deception and quite often they are also intended to deceive others.

Another lesson is that the certain conditions of agreements which seem of secondary importance at the time when they were worked out have become much more important with time. In the 1972-74 period, for example, several provisions of the Treaty on the Limitation of Anti-Ballistic Missiles and the Protocol to the treaty (for instance, the prohibition of the mobile land-based, sea-based, air-based and space-based antimissile defense systems as well as the reduction of the complexes allowed to each of the two sides from two to one) did not seem to be the most important. At that time, these limitations did not directly affect any kind of sufficiently major and advanced technical projects. However, within a relatively short period of time these conditions turned into completely tangible obstacles on the path of actual military programs. I have in mind, for instance, the development, toward the end of the 1970's, of the mobile antimissile system of the LOADS type to protect the MX missile launch complexes. At the beginning of the 1980's these programs were supplemented by the projects of high-atmosphere non-nuclear interception of warheads through "multi-layer defense" systems, and the ideas of building space-based and sea-based antimissile systems and other systems of the same kind with a different mode of basing began to be circulated. It can be asserted with confidence that if the letter and spirit of the 1972 treaty and the 1974 protocol to it are fully observed, their limiting and stabilizing effect will grow more and more in the near future in view of the rapidly growing new and more dangerous military technology that, in the event of its introduction, will sharply destabilize the strategic situation and place the world on the brink of catastrophe.

At the same time, and this is yet another lesson of the history of the ABM treaty, the stability and effectiveness of existing agreements can be ensured in the best way by making sufficiently quick and consistent progress in the achievement of new, more thorough and all-encompassing agreements. The lack of progress in arms limitation is not only a matter of marking time, but also of sliding backwards. The rapid development of military technology and the appearance of more and more refined and deadly weapon systems not only threaten to block the achievement of new agreements but also to undermine existing ones or deprive them of their meaning.

What is extremely dangerous in this connection are the attempts, recently revived in the United States, to undermine the ABM treaty by openly rejecting its positive significance, calling for its renunciation or impairing its provisions under the pretext of "supplementing," "correcting" or "updating" them. The arguments of the adherents of this line have been most fully outlined in the article entitled "Nuclear Policy and the Defense Transition,"<sup>8</sup> written by K. Payne and C. Gray, representatives of the most militant current of American strategic thinking.

First, it is claimed that the treaty has allegedly failed to justify the hopes placed in it at the beginning of the 1970's and that the limitation of Soviet and U.S. antimissile defense systems has failed to slow down the race for offensive strategic arms, while the limitation of antimissile defense at this stage would allegedly stop, by its very existence, the development of the low-impact system that neither of the two sides intended in any event to introduce on a large scale.

First and foremost, it must be noted that the dialectical interdependence of the development of defensive and offensive weapons is real in the sphere of strategic weapons and its recognition is one of the most important prerequisites for the Soviet approach to this question.<sup>9</sup> To put it more explicitly, the development and introduction of defense against nuclear missiles leads to the accumulation and updating of offensive weapons; this, in turn, not only neutralizes the improvements in defense but also escalates the arms race even more, exacerbates tension and makes the anticipated losses in war even more monstrous. It was precisely the recognition of these facts that was at the basis of the efforts of the two powers in their search for an agreement on the mutual limitation of antimissile defense systems toward the end of the 1960's and at the beginning of the 1970's. And these efforts were crowned with success.

The fact that the offensive strategic arms race was not limited so effectively during the 1970's can be explained not by the policy of the Soviet Union, but by U.S. measures, including the program for the development of the land-based Minuteman-3 ICBM and the Poseidon SLBM with multiple independently targeted warheads (MIRV). It was precisely Washington that refused during SALT I to agree to ban or limit these weapon systems in a mutually acceptable way, counting on gaining an advantage over the USSR. The Soviet Union was naturally forced to take the appropriate measures to liquidate any such advantage and restore the military-strategic equilibrium, although it had to be at a higher level. As a result of this, the SALT negotiations limited the offensive strategic arms race to a lesser extent than would have been possible otherwise. At the same time, there is no doubt that in the absence of the ABM treaty the accumulation and perfection of offensive weapons would have continued on an even larger scale during the past decade.

This also applies to antimissile defense systems as such. Toward the end of the 1960's and at the beginning of the 1970's some specialists expressed serious doubts about the technical effectiveness of the existing generation of antimissile weapons, although many members of military-industrial and scientific-technical circles continued to give assurances about the advisability of their development.<sup>10</sup> Had the 1972 treaty not been concluded, strategic and political considerations would obviously have led to a large-scale development of antimissile defense systems by both sides according to the action-counteraction principle. And the scientific-technical development and introduction of highly perfected technical components of antimissile systems would have been intensified at the same time. As a result of this, a completely different strategic situation would exist at the present time. And while recognizing all of the problems and dangers of the existing situation presented by the opposing offensive nuclear missiles, it should be noted



that without the limitation of antimissile defense systems at the beginning of the 1970's we would now be witnessing an even more difficult, unstable and threatening military-strategic situation.

Since the middle of the 1970's a campaign has been going on in the United States about some alleged Soviet violations of the ABM treaty and about the alleged insufficient reliability of the system for the verification of its implementation. Toward the end of 1983 and at the beginning of 1984, the insinuations on this topic were sharply intensified in connection with the administration's notorious report on this matter to the Congress. However, no matter what the leaders of this campaign may be saying, the campaign can be explained exclusively by the political and strategic goals of the Reagan Administration that strive to discredit the ABM treaty and thereby break down the last and only barrier on the path of the strategic arms race.

As regards the imaginary violations of the ABM treaty by the Soviet Union, the Soviet side has sent a memo to the United States to provide detailed explanations on all points questioned by the Americans. There are no longer any grounds for a lack of clarity or a lack of understanding in this area.<sup>11</sup> It must be pointed out that the intensification of propaganda over elements of this kind does not indicate the correct approach to the issue at hand. There is a functioning mechanism of the Standing Consultative Commission in Geneva to review the claims and questions that may arise from time to time not only on the American side but, speaking to the point, also on the Soviet side. Inspiring political sensations in relation to these questions by no means contribute to the settlement of problems, it harms the mutual understanding between the two powers and it casts a shadow on the treaty itself. Steps of this kind are not explained at all by any specious aims of strengthening the system for the limitation of antimissile systems, but precisely by the opposite--that is, by attempts to undermine that system.

The campaign that has been going on in the United States for several years about the USSR's alleged mass efforts in the spheres of antisatellite, air and civil defense represents another element of the activities aimed at undermining the ABM treaty. This campaign is being used to justify the United States' own measures and programs in these spheres, which have been particularly noticeable in recent years.<sup>12</sup>

The Soviet Union, which has been, unlike the United States, subjected to several armed aggressions during its history and has suffered enormous human and material losses as a result of these aggressions, has traditionally devoted considerable attention to certain means of active and passive defense.<sup>13</sup> However, this fact provides no grounds for the conclusions made in the West that Soviet policy and doctrine envisage victory in a nuclear war by, among other things, counting on reducing losses to an acceptable level.

The Soviet position on this matter has been explained at the most authoritative levels on several occasions. There can be no victor in a thermonuclear war. Regardless of who makes the first strike and what weapons and methods are used in the attack or defense, a global war would result in the quick destruction of both sides, in the destruction of human civilization and then possibly in the end of biological life on this planet.<sup>14</sup>

Certain circles in the United States are seeking a revision of the ABM treaty and the development of antimissile systems on the pretext of increasing the invulnerability of the American strategic forces to a hypothetical enemy strike against the silos. This is depicted as the reinforcement of "retaliatory strike" potential and as a means of ensuring nuclear deterrence.

However, the entire issue of the vulnerability of individual elements of strategic forces, such as protected ICBM underground silo launching pads and underground command stations is, and will continue to be for the foreseeable future, very much a matter of controversy from the technical, political and strategic standpoint. This is not the place to discuss in any detail the doubts about the technical feasibility of the indicated threat: They are connected with different assessments of the strength of ferroconcrete missile silo launching pads<sup>15</sup> and with the difficulty of making simultaneous strikes at a large number of targets.

But this is not the main point. What is even more important is the fact that in the strategic plans the importance of the vulnerability of one or another element of the nuclear forces is primarily determined by that element's role and by what percentage that element makes up of all strategic weapons of the side involved. It is known that in the United States the nuclear warheads of land-based ICBM's account for about 20 percent of the total number of nuclear warheads that can be delivered by the strategic forces in a single launch (or flight). All of the rest of the nuclear warheads are carried by the naval missile forces and by heavy bombers. In the 1990's the percentage of all warheads deployed on ICBM's will decreased to some extent.<sup>16</sup>

The political considerations of the question of ICBM vulnerability have demonstrated an astonishing variability in recent years. Under the Carter Administration this question was turned into the most important issue of U.S. strategic policy as a result of the efforts of Carter's Republican rivals and their line in the sphere of strategic arms limitation. It was used as one of the main arguments in favor of new strategic programs and as the main instrument to undermine SALT-II. But once the Republican Party came to power in 1981, the storm over the issue of ICBM vulnerability immediately calmed down. When the government failed, after a search lasting 2 years, to find any, even slightly feasible new "invulnerable" MX basing mode and decided, acting on the recommendations of the Scowcroft Commission, to install these missiles in the old ICBM Minuteman underground silo launch pads, the view that the issue of vulnerability was not really that important, despite all of the frightening forecasts of the 1970's, definitely and finally asserted itself.<sup>17</sup>

The decision made at the beginning of 1983 on the MX basing mode should have opened the eyes of everyone to whom all of this was still not clear. It demonstrated that the "vulnerability" of American land-based missiles had not at all been a real problem of U.S. military policy, but an artificial pretext for the escalation of the arms race and the subversion of agreements aimed at curbing it, and a means of settling accounts with political rivals in the country. If the issue of ICBM vulnerability was accorded only one or two passing references in the Pentagon's latest budget report (for fiscal year

1985),<sup>18</sup> then it is even less worth wrecking the ABM treaty. There is no question that the attempts at speculating on the question of theoretical ICBM vulnerability,<sup>19</sup> aimed at reviving the efforts in the sphere of anti-missile system development, also do not lead to stronger stability and deterrence [sderzhivaniye] but, on the contrary, at their subversion.

What is even more threatening in this connection is the orientation, officially approved at the highest level of government in the United States, to set up antimissile systems in space in the future that would be equipped with essentially new types of weapons, such as, for example, weapons of guided energy transmission (laser or particle beam), either as an independent strategic weapon system or as the "forward line" of the multi-echelon antimissile system, including its land, sea and other components. Washington is no longer hiding the fact that what is involved now is no longer a matter of protecting ICBM launching positions, but a matter of shielding the entire territory of the United States from a nuclear strike.<sup>20</sup> It is claimed in this connection that a multi-echelon antimissile system will contribute to progress in the cause of disarmament, effectively diminish the threat of nuclear war and, should the latter nevertheless break out, essentially reduce its fatal consequences. As K. Payne and C. Gray write in the aforementioned article, "the transition to strategic defense will not be incompatible with deterrence. It will more likely result in a new approach to deterrence, an approach that will also reduce the probability and the consequences of a nuclear war."<sup>21</sup>

According to the conclusions of several research projects carried out by competent specialists in the Soviet Union and abroad, the construction of an outer-space antimissile system based on combat orbital stations equipped with weapons of guided energy transmission is connected with enormous technical, strategic and economic difficulties.<sup>22</sup> The present level of technical development is not even high enough to set up an experiment to hit a ballistic missile with the laser beam aimed from a space station at a sufficiently great distance. Considerable technological effort and economic expenditures over a number of years would be required to carry out such a test. The problems, the necessary resources and the time schedules involved would grow geometrically if what is involved is the development and deployment of a space-based antimissile system for the simultaneous interception of hundreds, let alone thousands, of launched ballistic missiles. But even these difficulties do not reveal the entire picture. Difficulties will be compounded immeasurably in view of possible countermeasures against the space-based antimissile system, measures ranging from a simple increase in the number of objects (the real ballistic missiles and all kinds of false targets) that the system must intercept, and various passive methods of defense against the space-based antimissile system and methods of overcoming it, to a special weapon system to put the orbital laser stations and the various elements of their control, communications and supply systems out of commission.

In view of all this, it is understandable that many authoritative scientists in the USSR, the United States and other countries are expressing serious doubts about the feasibility of a space-based antimissile system. The following is now obvious: First of all, a system of this kind cannot be 100-percent

reliable and effective and, secondly, the construction of a space-based anti-missile defense system--even if it were sufficiently effective by purely military cannons--would involve an expenditure of many hundreds of billions of dollars and a time period of several decades.<sup>23</sup> It is extremely important to emphasize in this connection that, contrary to the arguments presented by advocates of "strategic defense," the very advancement toward the practical development, actual construction and deployment of the space-based system--if continued in accordance with the Reagan Administration's decisions--augurs for mankind dangers and costs that are truly unprecedented in history.

First and foremost, it is obvious that the program for the development of a space-based system of ballistic missile interception will be considered by the other side as a colossal threat to its security and as an attempt to disarm it in the face of probable nuclear aggression and to make the very physical existence of its people and government dependent on the mercy or whim of the side possessing an antimissile system. In this connection, the other side would probably assess the potential effectiveness of the space-based anti-missile system at a maximum level, counting on the worst possible results, even though the colossal costs of the system make it absurd if it is not capable of intercepting all or the overwhelming majority of the missiles carrying nuclear warheads. Even if the orbital system is less than 100-percent effective and reliable, this will hardly set the other side's mind at rest considering the possibility of the further perfection of the system in the future and of its supplementation with new lines of space-based and land-based systems and systems with other basing mode. This means that the political tension in the world will increase more and more in proportion to the development and deployment of the antimissile system and the opposite side will find itself forced to seriously consider all of the retaliatory military and political measures available to it.

Another circumstance connected with this is the fact that, under the conditions of any scale of deployment or degree of effectiveness of the space-based antimissile system, it would be much more difficult to ensure protection against a massive and coordinated missile strike with its aid than to repel a less orderly, less powerful and what might be called "more sparse" nuclear strike. Consequently, the space-based system would primarily create the possibility or the illusion of the possibility to screen the aggressor against a retaliatory strike by the other side, weakened to the maximum extent by the preemptive nuclear strike against its strategic weapons and its control and communications system. As noted above, the goal of the U.S. program in the sphere of offensive nuclear arms is precisely to acquire the capability of carrying out this kind of disarming strike.

Yet another important element is the fact that the development and introduction of the space-based antimissile system will inevitably lead to intensive programs in the sphere of the means and methods of counteracting it. In the foreseeable future, during the period of the first generations of the space-based antimissile system, these means will be much less costly and much simpler than the system itself.<sup>24</sup> The use of the means of counteraction by any of the sides will be obviously much more effective if the side involved makes the first strike than if it makes a retaliatory strike. In the latter

case, the use of the aforementioned means and methods may be disorganized by a preemptive strike by the state possessing the space-based system against these means of counteraction and against their guidance systems.

The aforementioned considerations show that, regardless of the specific technical characteristics and size of a possible orbital antimissile system, its deployment and even the very process of its development and testing and the initial stages of its construction would have--by simple military-political logic--an extremely destabilizing effect on the world strategic and political situation. The first-strike threat by the state possessing a space-based antimissile system will essentially grow and, accordingly, will encourage a preventive strike by its opponent. Under these conditions, the security of all sides, including the United States, will be substantially undermined, especially in view of the fact that the Soviet Union is also capable of building a space-based antimissile system in response to the U.S. program.

Contrary to the arguments of advocates of an antimissile arms race in space, even if the orbital laser stations are able to intercept a significant number of missiles, this could hardly reduce the absolute losses in the event of war.

The special characteristic of nuclear weapons, distinguishing them from all previous means of destruction, is that they were built and also used for the first time for the mass annihilation of people and property. In view of their colossal destructive power, even a small number of missiles breaking through the space-based defense can cause a historically unprecedented loss of life. Therefore, regardless of the future course of rivalry between attack and defense, the development of the space-based antimissile system most certainly offers no promise of actually reducing the damage suffered in the event of war by the side possessing the system. On the contrary, this system is more likely to increase the damage because its development and construction will provoke the increase, perfection and diversification of offensive nuclear weapons. For the same reason, the transition to the construction of the space-based antimissile system would not only wreck the ABM treaty but also the agreements on offensive strategic arms. The result would be a complete unlimited race for the entire range of arms.

Finally, the dialectic of the development and perfection of the antimissile system and the introduction of its new generations that would have an increasingly high striking power can eventually turn the orbital combat stations into terrible offensive weapons. From space, these weapons would be able to strike the military and political leadership, the armed forces, the population, the industrial facilities, the superstructure and various targets on land, in the sea, in the air and in space. And these terrible weapons will constantly and literally hang overhead and will essentially possess lightning speed of action.

It is particularly dangerous that the calls of Ronald Reagan and his aides for the construction of an extensive antimissile system, including a first line of defense in space, appeal to the psychologically natural human aspiration to finally find protection against the all-annihilating and destructive



power of the thermonuclear arsenals accumulated on earth. In this connection, the administration's official campaign contains a double deception of the people, a deception that is fraught with geometrically increasing negative consequences. First of all, it is asserted that, in the final analysis, the new antimissile weapons and combat technology will allegedly simply remove the danger of a general war because they will allegedly replace "deterrence [sderzhivaniye] against attack by the threat of a nuclear strike" with "deterrence [sderzhivaniye] against attack by the capability of direct defense against it." Secondly, it has been suggested to the public that peace and security can be obtained exclusively by creating fantastic technology while, at the same time, no political efforts are made to curb the arms race and strengthen peace on the international scene. In this way, the American leadership hopes at the same time to whitewash its own policy line, which has entailed the sharp exacerbation of tension and the unprecedented growth of the race in the military field.

However, all of these promises and appeals are for the naive and the poorly informed. Such narrowly technical solutions to the fundamental political problems of security have not worked out in the past and will not work out in the future. The reality is incomparably more complicated and it is as different from the promises made by the U.S. leadership as real life is different from the children's film "Star Wars." In practice, the construction of a space-based antimissile system would first sharply accelerate and expand the race both in "defensive" and offensive arms and would entail an astronomical waste of material and intellectual resources. It would immeasurably complicate the assessment and prediction of the military correlation of forces, increase the indefinability, uncertainty and mutual fears of both sides and undermine existing agreements curbing the arms race and the efforts to conclude new agreements. The political tension in the world would sharply increase. The probability of a global war would not diminish but, on the contrary, would considerably increase and its consequences would most likely become even swifter and more comprehensive.

A few decades of the nuclear arms race and the relatively short history of negotiations on their limitation and reduction quite clearly demonstrate the hopelessness and dangers of the path proposed by the Reagan Administration. At the same time, they attest to the need and possibility for an essentially different approach to the problem of ensuring security, and this approach is to be found in the conclusion of equal and substantial agreements on the limitation and reduction of offensive and defensive strategic weapons, such as, for instance, the Treaty on the Limitation of Anti-Ballistic Missile Systems.

Of course, it would be naive to think that a single treaty could provide once and for all a universal answer to all questions and eliminate all dangers in our century of stormy changes. However, the past solutions which have already proved their usefulness should not be jeopardized in the attempts to solve new problems, just as the additional floors to a building should not be built by taking bricks from its foundation. In this respect, it is also impossible to agree with the appeals of certain American specialists for a revision of



the ABM treaty, appeals aimed at incorporating a number of supplements in the treaty to specifically limit the new antimissile system. This step would open up a Pandora's box and would probably be used by the opponents of anti-missile arms limitation for a total breakdown of the treaty. New problems require new and bold approaches.

The Soviet initiative aimed at prohibiting the militarization of outer space, including "The Draft Treaty on Banning the Use of Force in Outer Space and from Outer Space in Relation to Earth," are of enormous importance. Combining the legal limitations of the use of new types of weapons with material disarmament measures, this kind of agreement--if it came into effect--would reliably shut off new dangerous channels of the arms race. It would prevent both the transformation of outer space into an unlimited stage of military rivalry and opposition and the destabilization of the existing military-strategic equilibrium on earth.

This means in essence that the construction, testing and deployment of all types of space-based weapons (including conventional, nuclear, laser, particle beam or any other weapons) and all modes of their basing (in space, on the ground, in the air or on the sea) should be banned. It is necessary to prohibit and liquidate an entire new class of weapons, the space striking systems that can be used as antisatellite or antimissile weapons against targets on land or in the air. This would make it possible to implement both the letter and the spirit of the Treaty on the Limitation of Anti-Ballistic Missile Systems, would provide an important supplement to its provisions and development of them, and would strengthen the positive effect of its firm conditions.

K. U. Chernenko has formulated the Soviet approach to this problem in the following manner: "We resolutely oppose the development of large-scale anti-missile defense systems that cannot be regarded as anything other than an intention to make nuclear aggression with impunity a possibility. We have the permanent Soviet-American Treaty on Antimissile Defense Systems that bans the construction of such systems. It must be respected absolutely. A solemn renunciation of the very idea of deploying antimissile systems in outer space would be in accord with the spirit and letter of that treaty and with the task of preserving the peaceful status of outer space in the interests of all mankind. This kind of step would be received everywhere in the world as a demonstration of true concern for mankind's peaceful future."<sup>25</sup>

Ensuring the firmness of existing agreements, primarily the Treaty on the Limitation of Anti-Ballistic Missile Systems, and consistently advancing on this basis to new agreements on a wide range of problems that threaten to destabilize the strategic equilibrium--this is the only path to stronger general security, the only path that has future prospects.

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## UNITED STATES AND MEXICO'S ECONOMIC PROBLEMS

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[Article by V. M. Kudrov]

[Text] The United States' current problems cannot be understood without consideration for its economic and political ties with the outside world. This applies largely to U.S. ties with neighbors, Canada and Mexico. Many works on American-Canadian relations have been published, but there have been noticeably fewer publications on American-Mexican relations. Mexico's importance to the U.S. economy, however, is constantly increasing.

The United States has traditionally regarded Mexico as a zone of its "vital interests." Its convenient geographic location, vast territories for economic development, rich deposits of crude minerals, cheap manpower and fairly promising domestic market are the factors attracting American capital to this country.<sup>1</sup> Mexico has one of the most highly developed economies in Latin America. It is one of the developing countries with an average level of capitalist development and it has a relatively developed production infrastructure. The working class in Mexico has millions of members. In contrast to many other Latin American countries, Mexico conducted a relatively thorough agrarian reform long ago and established a fairly strong state sector through the nationalization of some foreign property. The state oil corporation, Petroleos Mexicanos (Pemex), constitutes its basis. On the whole, the government is striving to develop a mixed private-state capitalist economy while retaining the leading role of the state and the state sector.

Mexico's economic importance to American imperialism increased perceptibly after the discovery and fairly rapid industrial development of large oil deposits in Mexico in the 1970's. The Mexican "oil boom" at the time of the oil crisis that struck the capitalist world in the middle of that decade stimulated the economic penetration of Mexico by various forms of American capital and the extension of credit and transmission of equipment and technology to Mexico. In essence, the United States adopted a strategy of turning Mexico into a reliable crude energy base and imposing a special, U.S.-approved model of development on Mexico. This was clearly apparent, for example, during the meetings of the heads of the two states in August 1983 and May 1984, at which time Ronald Reagan specifically advised President M. De la Madrid to open the door wider to foreign, especially U.S., capital.

In Mexico, with its old traditions of independence, declared in 1821, and its dislike for the "gringos," Washington's attempts to "Americanize" the Mexican economy and involve it more closely in the system of international capitalist division of labor are exacerbating some already serious socioeconomic and political problems and domestic and foreign conflicts.

An investigation of some of these problems and conflicts, connected in some way with the direct or indirect influence of American imperialism in Mexico, will be presented in this article, based on the author's personal impressions during a recent trip to this country and on articles from the Mexican and American press.

### The American Variety of the "Mexican Model" and Its Crisis

History and the present day conclusively prove that U.S. imperialism is engaged in the active and increasingly extensive export of capitalist production relations, bourgeois instruments and factors of economic development. Mexico is one vivid example of this policy and these practices.

The United States has not concealed its views and intentions with regard to a desirable or acceptable model of economic and social development for its southern neighbor and is actively imposing it on Mexico. For example, during special congressional hearings on bilateral relations it was stressed that "an increase in foreign investments would promote Mexico's economic development and alleviate the problems of unemployment and poverty by stimulating industrial production, particularly in labor-intensive industries." Washington has earnestly advised Mexico to seek "possibilities for the closer involvement of foreign capital in its industrial development..., relax price controls and customs protectionism" and so forth.<sup>2</sup>

Washington's position was largely responsible for Mexico's recent choice of the national-reformist ideology as the conceptual basis of its strategy of economic development. This ideology has been cultivated by the ruling party-government bloc headed by the Institutional Revolutionary Party (PRI). The strategy consists mainly in encouraging activity by private capital in agriculture and in other spheres of the economy, cooperating with foreign capital and using more foreign credit and loans for the needs of national economic development.

The result has been the intensive penetration of the national economy by foreign capital. Between 1970 and 1978 alone, total direct foreign capital investments in the Mexican economy more than doubled, reaching 6 billion dollars. Most of this sum (over 60 percent, according to some estimates) is the capital of American transnational corporations.<sup>3</sup> Foreign loans and credit were also used on an increasing scale. For example, foreign loans in 1981 alone totaled 20 billion dollars, and the main creditor was again the United States.

During a certain stage this pattern of development produced some relatively positive results. For example, Mexico's share of the Latin American gross national product rose from 19 percent in 1950 to 23 percent in 1970 and is now close to 25 percent. In terms of this indicator, Mexico overtook Argentina in 1960 to occupy the second place (after Brazil) in the region. Significant

changes have also taken place in the structure of its national economy. The main structural change has been the accelerated growth of industry and the production infrastructure. Industry accounted for 28 percent of the GDP in 1960 and 37 percent in 1980. Since 1980 Mexico has accounted for over one-fourth of Latin America's entire industrial product.<sup>4</sup> Other indicators of relative prosperity were the moderate growth rates of commercial prices in the domestic market (an average of 2.5 percent a year in 1960-1970) and the unchanging rate of the national currency in relation to the dollar, which was around 12.5 pesos until fall 1976.

This development, however, was accompanied by the imperceptible growth of severe internal conflicts of a long-term nature, and these eventually led to the destabilization and the crisis of the "Mexican model" of economic development. These included conflicts between the need to industrialize the country and to augment accumulations and the country's increasing dependence on foreign loans; between the nationalist and liberation traditions in Mexican society and the effects of the tendency toward economic integration with the United States; between Mexico's interest in this integration and its interest in integration with other Latin American countries, particularly the Caribbean countries; between the interests of the Mexican grand bourgeoisie, with its tradition of cooperating with the northern neighbor, and the interests of small and medium-sized businesses; between the relatively intensive industrialization of the country and the limited scales of its domestic market, in which two-thirds of the population displays virtually no effective demand<sup>5</sup> due to the practices of a natural economy. Finally, many people in Mexico object to its Americanization and want to preserve Mexico's national uniqueness and strengthen its leadership in Central America, and for this reason the country's pro-American orientation has inevitably been resisted by broad segments of the population.

One of the first signs of negative processes in the economy was the devaluation of the peso in fall 1976. For the first time in 20 years its exchange rate in relation to the dollar declined substantially (by almost 40 percent). On the sociopolitical level the development of conflicts was reflected in the growing dissatisfaction of the working public with the decrease in real wages under the conditions of the rapid inflationary rise of prices in the 1970's and was further reflected in the growth of strikes and the general democratic movement.

The situation improved noticeably in the second half of the 1970's. Whereas economic growth rates had declined to 3-4 percent in the middle of the previous decade, now they were rising to 8-9 percent, considerably surpassing the regional average (just over 5 percent).<sup>6</sup> The deciding role here was played by the "oil factor"--the unprecedented "astronomical" growth of income from the export of oil and, in part, of gas. This temporarily improved Mexico's financial status.

In 1982, however, Mexico was stricken by the most severe financial crisis, combined with an economic crisis. The GNP decreased by 1.5 percent in 1982 and by another 3.5 percent in 1983.<sup>7</sup> The immediate cause of production cuts was the drop in world oil prices (from 34 dollars a barrel to 29 dollars) in



spring 1982. By that time oil exports already accounted for 75 percent of all Mexico's foreign currency receipts. The deficits in Mexico's balance of trade, balance of payments and state budget grew dramatically, and inflation progressed at an accelerated rate. In 1982, for example, the rate of inflation reached 100 percent a year. This resulted in a new and sharp devaluation of the peso. Whereas in 1981 the ratio of pesos to dollars was 26:1, it was already 150:1 at the end of 1982 and 170:1 in 1984.

All of this shook the business community's faith in the prospects for favorable Mexican development, and this led to the withdrawal of huge amounts of U.S. capital from Mexico. The economic crisis weakened the position of the local bourgeoisie. It had a particularly severe effect on such important industries as the automotive industry (sales in 1983 dropped to half of their previous level), ferrous metallurgy (a decrease of 11.5 percent) and electrical equipment production (20 percent). The number of unemployed rose to almost 12 million.<sup>8</sup> Investments in the private sector were reduced by almost half in 1982-1983. The load of production capacities in industry in 1983 ranged from 40 to 70 percent in various sectors.<sup>9</sup> Mexico's foreign debt, owed primarily to American banks, rose to 92 billion dollars by 1984. American newspapers heralded the end of the "Mexican economic miracle" that had been going on for almost 40 years. The Western press spoke of the impending economic collapse and financial bankruptcy of this country.

The United States, which had huge capital investments in Mexico and was frightened by the mounting "instability" on its southern border, offered Mexico emergency aid in the amount of around 3 billion dollars in August 1982, including 1 billion in advance payments for projected purchases of Mexican oil for U.S. strategic reserves, 1 billion in the form of short-term credit and another billion in credit for the future purchase of such commodities from the United States as corn and beans. The International Monetary Fund, acting under Washington's aegis, simultaneously promised Mexico assistance in exchange for the institution of a strict austerity program by the Mexican Government, the reorganization of the structure of production and foreign trade, particularly with the aim of further "petrolization," and closer involvement, as a reliable supplier of energy resources, in the system of international capitalist division of labor.

#### Americanization Through the "Petrolization" of the Economy

One of the main ways in which the United States influenced the "Mexican model" of development in the 1970's was the active encouragement and stimulation of the "petrolization" of the Mexican economy and a corresponding structural reorganization for increased emphasis on the American market.

The discovery of rich oil deposits (almost half of those discovered recently are off-shore deposits) considerably changed Mexico's role in the world capitalist economy and its importance to American imperialism. This country with its colossal natural resources ranked 15th in the world in oil production in 1975, but it now holds fourth place. It ranks fifth in the world in terms of known oil deposits (10 billion tons).

According to the estimates of Pemex, this is enough oil for around 60 years.<sup>10</sup> Total potential deposits, however, were estimated at 38 billion tons in 1981.

Furthermore, only Saudi Arabia is ahead of Mexico in exports of oil to the main capitalist countries.<sup>11</sup> In terms of qualitative features, Mexican oil is close to Arabian oil but has a much lower sulfur content, which increases its value.

The growth rates of oil production in Mexico were among the highest ever recorded in the capitalist world. Output increased from 191.5 million barrels in 1973 to 764.3 million in 1980. In subsequent years, despite the world economic crisis and the decline in world oil prices, the output in Mexico continued to grow rapidly. Mexico ranked fifth in the capitalist world in terms of the capacity of its oil refineries (after the United States, the FRG, England and Canada).<sup>12</sup>

Whereas Mexico exported virtually no oil in 1973, by 1980 its exports exceeded 343 million barrels (44 percent of its output), and in 1983 they totaled 547 million barrels (55 percent).<sup>13</sup> The growth of exports to the United States was particularly pronounced. Mexico is now the main exporter of this raw material to the United States (800,000 barrels a day in 1983, as compared to 460,000 from Canada, 413,000 from Venezuela, 369,000 from England and 336,000 from Indonesia).<sup>14</sup> Mexico now accounts for around one-seventh of all American oil imports.<sup>15</sup>

The shipments from Mexico considerably augmented the reliability of the U.S. oil supply, weakened the U.S. dependence on "unstable" regions (the Persian Gulf countries, Nigeria, Libya and others) and gave Mexico more influence and prestige in American ruling circles and the business community. It is true that the U.S. share of Mexican exports decreased slightly in recent years as a result of expanded trade with other countries, particularly Japan, Spain, France and the Caribbean countries, but the main thing has not changed--the United States still accounts for most of Mexico's exports of "black gold" and the system of oil shipments to the U.S. economy is quite strong in comparison to shipments to Japan and the West European countries, which buy oil primarily in "unstable" parts of the world. People in Washington attach special significance to this fact when they analyze various critical situations. They also consider the fact that Mexican oil shipments have given the United States an opportunity to keep more of its own raw materials, especially oil, in reserve to satisfy future needs.

All of this stimulates American investments in Mexico, the extension of credit to Mexico and the transmission of equipment and technology in exchange for easy access to Mexican oil.

For Mexico, however, this U.S. policy has had serious economic, political and social implications: Mexico has had to go into debt, to change its economic structure, frequently in ways contrary to Mexico's real economic interests, and to "petrolize" its economy. The social stratification of Mexican society, class differences and inequalities in income distribution have become more pronounced, and corruption and graft are being practiced on a broad scale. Inflation and the depreciation of the peso have been accelerated. The Mexican economy is more dependent on the United States.

Back in the beginning of the 1970's the Mexican Government defined the principles which would have to be observed to prevent the country's excessive

dependence on oil exports to the United States. In particular, sales of this raw material abroad were not to exceed the volume of domestic consumption, and quotas were to be set so that oil exports to any one country (this was a clear reference to the United States) would not exceed 50 percent of all oil exports. The economic crisis of the early 1980's, however, precluded the observance of these principles.

In the last decade the average annual rate of increase in state capital investments in oil production was 25 percent, and by 1980 these investments accounted for 13 percent of all investments in the economy and 29 percent of all state investments.<sup>16</sup> This has increased the state sector's share of the Mexican economy. It has also increased the oil and energy components of the GNP. Suffice it to say that whereas per capita oil consumption in the United States decreased slightly between 1973 and 1980, it rose significantly in Mexico. Lower prices were part of the reason: The price of gasoline before the economic crisis of 1982-1983 was 2.5 times as high in the United States as in Mexico, and the price of natural gas was 10 times as high. Another reason is that oil accounts for over 60 percent of all the energy consumed in Mexico, and gas accounts for 25 percent.<sup>17</sup> Furthermore, the growth of oil production was financed less by domestic funds than by huge foreign loans, especially American credit.

There were also some factors promoting the independent development of oil production and the industrialization of Mexico. In contrast to the Persian Gulf countries, for example, Mexico did not confine itself to the extraction of oil but also established its own refining industry, pipeline system and the necessary plants for the production of the ferrous metals, machines and equipment needed for the construction of pipelines, began the extensive construction of highways and so forth.

In principle, oil is not only the means of Mexico's industrialization. It could also be a potential weapon to counteract U.S. expansion and to exert pressure on the United States with threats of reduced oil exports. But the Mexican Government made virtually no use of this instrument during the period of "petrolization" and the growing dependence of the national economy on the American market. For example, a national plan for industrial development was drawn up under President Portillo, including an energy program. The purpose of the plan was balanced and autonomous economic development, but the implementation of the plan was seriously undermined by the economic crisis of 1982-1983 and Mexico's emergence from the crisis now depends largely on the U.S. demand for its goods. In other words, it depends on the state of the American economy. It is not surprising that the Mexicans are calling the growth of Mexican oil production and exports to the United States a gift from the devil or a Pandora's box. Another significant factor is that the "cream" has already been skimmed from the top of the richest and most accessible oil deposits. Mexico has already begun to work less accessible deposits, entailing additional expense. This is increasing the overhead costs of oil production and reducing national resources for future generations.

All of the events of recent years, which seemed so unexpected in Mexico, could occur in other countries which export raw materials and are striving to effect

rapid economic growth and to overcome their underdevelopment by means of the worldwide use of their natural resources but are in a difficult position in connection with the drop in the price of oil and some other raw materials. After all, Mexico borrowed huge sums from the United States and other countries in the expectation of a rise in oil prices and did not establish a reliable base for the export of manufactured goods and a fairly flexible economic structure capable of reacting quickly to changes in economic conditions and in demand in the world capitalist market.

Under the influence of oil euphoria, Mexico did not use loans to the best advantage. As a result, serious limitations and disparities came to light in connection with the insufficient development of related industries, a shortage of resources for their expansion and an acute shortage of skilled manpower. At a certain point manpower began to move from various sectors of the economy into the petroleum and petrochemical industries. Mexico's traditionally inflexible system of economic management also inflicted heavy damages. As a developing country, Mexico does not have the option of the independent choice of the kind of equipment and technology that best meet its demands, traditions and way of life. Imperialism supplies these countries with the equipment and technology meeting its own needs. Besides this, a shortage of funds due to the drop in oil prices frequently kept Mexico from buying the most advanced and economical equipment.

This situation testifies that the economy of the developing country, even at an average level of development and at a time when foreign capital is essentially incapable of controlling it totally, is still extremely vulnerable to imperialist pressure and the spontaneity and variability of the capitalist market.

#### In the American "Financial Lasso"

The U.S.-financed "petrolization" of the Mexican economy not only made it more dependent on the American market and on U.S. economic policy but also intensified another form of dependence--financial. Taking advantage of the situation, banks in the developed capitalist countries, especially the United States, trapped Mexico in a strong financial lasso.

Mexico's foreign debt, as mentioned above, now exceeds 90 billion dollars, and the interest paid out each year reaches 10-12 billion dollars. Virtually all receipts from the export of oil (around 15 billion dollars) are used to pay the interest on the debt. Many Mexican economists doubt that their country will be able to repay this debt in the next few decades.

An analysis of this problem necessitates consideration for the fact that it is already political as well as economic, because the West has just as much incentive to keep Mexico, just as Brazil, Argentina and its other chief debtors, from going bankrupt and to help it reorganize its economy so that it can function normally in the world capitalist economy and, in particular, can accumulate enough financial resources to repay its foreign debt. The expansion of international credit operations by American banks has had an extremely adverse effect on the ratio of their own capital to the volume of credit extended, and this is jeopardizing their solvency. At the end of 1983, for example, the

loans of the nine largest private American banks to five Latin American countries, including Mexico, were around 1.5 times as great as their own capital. Under these conditions, the bankruptcy of the borrowers could lead to the collapse of the creditors. Consequently, Mexico's debt is a problem for the creditor as well as the borrower.

In 1982 Mexico was able to avoid financial ruin by taking several emergency measures and requesting foreign creditors for immediate aid. In all, it received 3.7 billion dollars from the IMF and 5 billion from private banks, primarily American ones. Although the creditors tried to set the shortest possible repayment period, the Mexican Government was able to receive a 4-year deferment on 22 billion dollars of the debt of its state sector (totaling 60 billion dollars). It also convinced creditors accounting for more than half of the debt of the private sector (over 20 billion dollars) to agree to the same terms. But all of this only allows Mexico to pay the interest on its loans. It is still borrowing money abroad, with the sole difference that the loans are much smaller. For example, in 1983 the loans totaled 5 billion dollars, and in 1984 they should total 4 billion.

Plans for the reorganization of the Mexican economy for the repayment of this debt include the growth of exports, the reduction of imports and the modification of the structure of exports by a proportional increase in processing industry exports. The plans also envisage assistance from the West--direct payments, particularly from the United States on the government level, IMF subsidies and the deferment of payments now due.

To lead the country out of the economic crisis as quickly as possible and to stimulate economic recovery and growth, the Mexican Government is relaxing restrictions on the import of capital and reducing imports of goods. Current legislation limits participation by foreign capital to 49 percent of the total, but this share can actually reach 70 percent at present. According to Secretary of Finance S. Herzog, "companies need funds and can obtain them only from foreigners. For this reason," he has stated, "we will conduct a flexible policy and will be willing to increase this share to 70 percent on a temporary basis."

The improvement of Mexican finances, however, is being complicated by the American policy of artificially maintaining high interest rates. The U.S. Federal Reserve System raised these rates three times just during the first 5 months of 1984, and this increased Mexico's total foreign debt by just under a billion dollars. This aroused indignation in Mexico. President M. De la Madrid called the tendency to raise interest rates in the United States an "unheard of" practice. He said that this tendency was "an obstacle to economic and social development." Mexico's EL DIA newspaper printed an article entitled: "The United States Must Not Be Allowed To Spend Billions on Weapons While We Cover the Deficit."<sup>18</sup>

The high interest rates in the United States also hurt the Mexican economy in another way: They are attracting Mexican capital to the United States, withdrawing it from the process of domestic accumulation. Besides this, Washington is constantly making use of the finance issue for political purposes to obtain

concessions in the foreign policy sphere. For example, it warned Mexico that the IMF would deny its latest credit request if Mexico did not revise its negative stand on the American actions against revolutionary Nicaragua.

In general, U.S. policy toward Mexico is of a dual nature. On the one hand, it has to give it some assistance to help Mexico repay its debts and broaden its access to its own natural resources and sales markets. It also has to consider the fact that the further intensification of Mexico's economic difficulties will injure the American businesses connected with this country, especially the businessmen who have traditionally worked for the Mexican market, and will increase the flow of Mexican immigrants across the American border. On the other hand, the United States has an interest in maintaining many of Mexico's economic difficulties to keep it in a secondary position in the international community and force it to pursue a U.S.-approved policy, especially in Central America, as well as to keep its economy dependent on the United States. In particular, the American Government is using every means of preventing the expansion of imports from Mexico by levying additional duties on its goods.

Obviously, some forces in Mexico are willing to agree to all of Washington's demands, but the opponents of this conciliatory line are much stronger, and the government of Mexico is not inclined to depart from its traditional support of the national liberation movement in Central America.

Therefore, it is obvious that many of Mexico's domestic problems are connected with the damages inflicted on it, just as on other developing countries, by the preservation of the old imperialist principles of international economic relations, which allow the West, especially the United States, to transfer part of the burden of solving its own difficulties onto these countries.

#### Some Long-Range Tendencies and the Present Time

The U.S. administration is known to have been planning the economic integration of the United States, Canada and Mexico, including integration in power engineering, for a long time, even to the point of its organizational and judicial establishment and the creation of a North American "common market." Many of the problems connected with this integration have been examined on the pages of SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA.<sup>19</sup> Others require special investigation. A few aspects of this multifaceted subject should be examined within the context of this article.

The Mexican press has underscored the potential harm and dangers of integration and the related increased dependence of Mexico on the United States and its incompatibility with national interests and traditions. At the same time, there has been a spontaneous process of the increased economic interdependence of the two countries and the merger of their economic structures. This process is developing in the following main areas:

First of all, more Mexican raw materials (especially oil) are being exported to the United States, and this country is still financing the developing of oil production and, in particular, the petrochemical industry in Mexico;



Secondly, total American direct investments in Mexico rose from 3.5 billion dollars in 1975 to 8.5 billion at the present time. It is true that the U.S. share of total foreign investments in Mexico decreased from 80 percent in 1965 to under 70 percent in 1983. On the average, the United States invests around 800 million dollars a year in the Mexican economy in the form of direct investments. In recent years these foreign investments have been redistributed in favor of the processing industry (petrochemicals, ferrous metallurgy, electronics, and motor vehicle, textile and food production). This has been related to expanded activity by American transnational corporations (around 600 of these corporations are already operating in Mexico). In 1980 American capital was directly involved in 3,471 large enterprises in Mexico.<sup>20</sup> They account for 32 percent of Mexico's entire industrial product (24 percent 15 years ago). Around 200 American firms, however, are operating in regions adjacent to the United States. A specific portion of the Mexican economy is structurally geared to the U.S. economy, and the United States is using this as a means of economic and political pressure. In reference to the export of American capital, it must be said that it uses Mexico as one of the most convenient enclaves for the establishment of "dirty" and obsolete production units. Taxes are lower here, the prices of energy and other raw materials are lower, manpower is much cheaper, and there are vast undeveloped territories with many minerals needed in the U.S. economy;

Thirdly, Mexico is also exporting its capital to the United States and is thereby participating in the process of U.S. accumulation. In just 2 years (1981 and 1982) capital totaling 22 billion dollars, according to official data (unofficial estimates put the figure at 35 billion or even 50 billion dollars), moved north, primarily in connection with private investors' doubts about economic prospects under the conditions of unprecedented inflation and in connection with the great appeal of the U.S. money market due to the high interest rates. It was this capital outflow that forced President Portillo to nationalize banks in September 1982;

Fourthly, manpower is moving from Mexico to the United States. In addition to legal immigrants, up to 5,000 Mexicans cross the northern border illegally each day in search of jobs. Although some are later returned, most of them stay in the United States;

Fifthly, the continued merger of the two economies has been supplemented by the increased dependence of the Mexican economy on American technology and technical equipment. The country is already buying almost all of its new equipment from the United States. Apparently, this dependence will continue to grow because the mass transfer to the latest means of microelectronic automation and resource-saving equipment in the United States is quickly making yesterday's equipment and technology obsolete. These will be transmitted to Mexico, particularly since they will be absolutely new, and not obsolete, equipment and technology by local standards. The factor of technology transfer is now just as important as the factor of direct foreign investments;

Sixthly, for almost a decade and a half Mexico has ranked third (after Japan and Canada) among the United States' trade partners (trade between Mexico and the United States in 1982 totaled 32 billion dollars). People in Washington

see this as a sign of a "special relationship" between the two countries. Mexicans, on the other hand, are inclined to see this relationship in a different way, namely as the relationship between the horse and the rider.

Finally, it is apparent that the economic policy of the current Mexican administration has many features in common with the conservative policy of Ronald Reagan. Although it nationalized the banks, it is encouraging private enterprise. The monetarist views of American economist M. Friedman have been declared the conceptual basis of this practice. In contrast to the U.S. economy, however, the Mexican economy rests on a strong state sector.

Of course, this does not mean that the development of all these economic processes provides sufficient grounds to predict Mexico's future and its tendency toward economic unification with the United States. Political factors, especially unpredictable ones, could introduce serious changes into these processes. Under these conditions, the United States is striving to maintain a peaceful and loyal relationship with Mexico and to take cautious and covert actions.

The situation in Mexico is now changing for the better. The volume of production is growing, unemployment is decreasing, the country's financial burden is growing lighter and the state budget deficit is decreasing. The GNP is expected to grow at a rate of 5-6 percent a year in the next 4 years. The rate of price increases is expected to decrease by half, although it is now around 50 percent a year.

The reorganization of trade and payment balances will be of particular importance in the repayment of foreign debts. According to the data of the National Bank of Mexico, strict import limitations have resulted in substantial advances. According to experts, imports in 1984 should total 13 billion dollars, as compared to 14.4 billion in 1983 and 24 billion in 1981, and exports should rise to 22.3 billion, as compared to 20.9 billion in 1983. This means that the positive balance of trade in 1984 will be 9.3 billion dollars, as compared to 6.5 billion in 1983. Another significant increase in exports (8.3 percent)<sup>21</sup> and decrease in imports are anticipated in 1985. The latter will hurt the economy, however, because it does not have a sufficient supply of many goods which are not produced in the country.

More attention is being given to the development of industry and agriculture. In addition to facilities in the petroleum and petrochemical industry, enterprises are being built for the production of fertilizer (6.5 million tons a year) with the ultimate aim of self-sufficiency in this sphere, and metallurgical plants are being remodeled. Plans call for radical changes in the sugar industry to eliminate the need for imported sugar. Fishing and shipbuilding are being developed. Mexico's industrial policy emphasizes the development of domestic production, primarily in the state sector. For example, 70 percent of the 265 billion pesos allocated for the acquisition of equipment for Pemex will be spent on purchases from national machine-building firms. Advances in agriculture have also been planned. Its level of development is still too low, despite Mexico's colossal potential. The country has to import much of the food it needs. Current programs envisage the gradual transfer of land to

landless farm laborers willing to work this land and the provision of these laborers with agricultural equipment, tools, seeds, fertilizer and credit. Landless peasant families have already received over 9 million hectares of arable land.

The situation in the country is still quite complex. The government has had to maneuver, instituting the strict fiscal and budgetary measures demanded by foreign creditors and actively supporting the national bourgeoisie in the interest of quicker economic growth and the resolution of the social problems that have grown so acute in recent years.

Great hopes have been placed not only in domestic factors of economic growth but also in the improvement of world economic conditions, particularly in connection with the prospect of expanded world trade. More active participation by the country in international division of labor is being seriously considered. The diversification of economic ties, the pursuit of an independent policy line in international affairs and the struggle with the other developing countries for the establishment of a new international economic order are important guarantees of Mexico's future success.

The country maintains peaceful and constructive relations with all states, regardless of their social structure, and is acquiring greater international prestige. Its government opposes American policy in Central America. When President M. De la Madrid took office on 1 December 1982, he reaffirmed the need for the just and peaceful resolution of international conflicts with respect for the sovereignty of states in the region and for the assistance of these states in the resolution of their economic problems. He stressed that Mexico will continue defending the right of peoples to self-determination and national sovereignty in international affairs and opposing interference in the domestic affairs of other states.

Mexico and the Soviet Union have a good friendly relationship, based on their mutual desire for the peace and security of all nations, large and small, and on the solid foundation of peaceful coexistence, mutual trust and productive and equal commercial cooperation. August 1984 marked the 60th anniversary of the establishment of diplomatic relations between the two countries. There are many outstanding pages in their history. When Carlos Zapata Vela, president of the Mexico-USSR Institute of Friendship and Cultural Exchange, was interviewed in connection with this important anniversary, he said: "In the last 60 years we have learned to value friendship and to respect the differences between our countries. On the whole, the last 60 years have been happy ones, and I would like to see them repeated."<sup>22</sup> People in our country feel the same way.

In September 1984 a delegation from the USSR Supreme Soviet, headed by Secretary of the CPSU Central Committee I. V. Kapitonov, Supreme Soviet deputy, made an official friendly visit to Mexico for the 60th anniversary of Soviet-Mexican relations. A joint communique specifically said that Soviet and Mexican parliamentarians were pleased to note the two countries' identical or similar views on the most important international issues. The Soviet delegation's visit will lead to even stronger mutual understanding between the people of our two countries.

# FOOTNOTES

1. It accounts for 9.5 percent of the territory of Latin America, 19.5 percent of its population (75 million), almost 25 percent of its gross domestic product and over 22 percent of all foreign trade.
2. "Prospects for a Stronger United States-Mexico Energy Relationship," U.S. Congress, Wash., 1980, p 23.
3. COMERCIO EXTERIOR, April 1981, p 478.
4. "Statistical Summary of Latin America, 1960-1980," ECLA.
5. TIME, 13 June 1983, pp 46-48.
6. "Notas sobre la economia y el desarrollo de America Latina," ECLA, No 333, 1981, p 2; "Examen de la situacion economica de Mexico," July 1982, p 321.
7. "Economic Conditions in Capitalist and Developing Countries. Survey for 1982 and Early 1983," supplement to MIROVAYA EKONOMIKA I MEZHDUNARODNYYE OTNOSHENIYA (MEIMO), 1984, No 8, p 24.
8. TIME, 13 June 1983, p 46.
9. WORLD PAPERS, March 1984, p 3.
10. Mexico's oil resources were nationalized back in 1938 under President Lazaro Cardenas. Pemex accounts for most of the petroleum output. In addition to oil wells, it owns tankers, tank trucks, oil storage tanks, moorages and gas pumps. Its large construction subdivision lays roads and pipelines, builds houses and medical facilities for petroleum workers, etc. As a rule, over 50 percent of this company's income enters the state budget.
11. T. Sterner, "Economic Effects of the Oil Expansion in Mexico," Mexico, 1982, p 13.
12. MEIMO, 1983, No 2, p 68.
13. T. Sterner, Op. cit., pp 8, 10.
14. MEXICO CITY. THE NEWS, 4 March 1984.
15. MEIMO, 1983, No 2, p 71.
16. T. Sterner, Op. cit., p 11.
17. Ibid., pp 24, 26.
18. IZVESTIYA, 14 May 1984.

19. See, for example, T. V. Lavrovskaya, "General and Particular Features of Integration Processes in North America," 1978, No 3; A. D. Borodayevskiy, "United States-Canada: Features and Contradictory Effects of Integration," 1983, No 4.
20. MEIMO, 1983, No 2, p 67.
21. MEXICO CITY. THE NEWS, 4 March 1984, p 25; WORLD PAPERS, March 1984, p 3.
22. PRAVDA, 4 August 1984.

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## 1984 PRESIDENTIAL, CONGRESSIONAL ELECTION RESULTS ANALYZED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84  
(signed to press 19 Nov 84) pp 49-54

[Article by N. D. Turkatenko (Washington): "Washington After the Elections"]

[Text] The American capital has been full of rumors and conjectures ever since the presidential and congressional elections of 6 November. Political observers of all stripes and shades are analyzing the election results, discussing the reasons why the majority of voters cast their votes for Ronald Reagan and making forecasts of what the United States expects from his administration in the next 4 years. Reagan himself, the Republican Party leaders and the major press media--the latter, to tell the truth, with certain reservations--are interpreting the election results as evidence of nearly "nationwide support" for the policy pursued by the administration in the past 4 years. The people have now supposedly given their mandate for the continuation of that policy.

Is Reagan's victory really so "overwhelming?" The figures and facts by no means confirm this "overwhelming nature" although it appears to be true at first glance. It is a fact that Reagan received an unprecedented number of electoral votes--525 out of 538. Mondale received only 10 electoral votes in his native state of Minnesota and 3 in the District of Columbia.

However, all of this certainly does not indicate that an overwhelming majority, or even a simple majority, of voters cast their votes for Ronald Reagan. In accordance with the existing U.S. election system, all of the electoral votes of any state are given to the candidate for whom at least 50 percent of the voters in that state plus 1 voter have cast their votes.

The extent of voter abstention in the United States and the reasons for it have long since been well known. The abstention was also very impressive this time. According to preliminary estimates, about 60 million eligible voters in the United States did not even consider it necessary (or found it impossible) to register to vote in this election. In addition to that, around 25 million of the approximately 115 million registered voters failed to go to the polls. In all, just over 90 million voters cast their votes in the election. As a result, about 53 million voters, or 30 percent of all eligible voters in the United States, voted for Reagan. About 37 million voters, or more than 20 percent of all adult citizens, cast their votes for



W. Mondale. Therefore, in no way do these results represent "nationwide support" for Reagan's policy line and a resulting "general mandate."

Congressional election results also confirm this. The Republicans failed to make any fundamental changes in the correlation of forces in the Senate and the House of Representatives. On the contrary, they lost two seats in the Senate, where they now have 53 representatives and the Democrats have 47. In the opinion of many observers, this could essentially affect the Senate's passage of Republican resolutions and bills on extremely important domestic and foreign policy issues and bills submitted by the administration. All in all, this view is not unsubstantiated. We recall, for instance, that during several votes in the Senate of the past 98th Congress the administration found itself on the brink of defeat because it was opposed by the Democrats and by some Republicans who found it necessary at times to consider the attitude of voters in their states. In June 1984, for example, the Senate almost killed the program of additional appropriations for the new MX strategic missiles. In all, 40 senators voted against that program and the same number voted for it. The situation was then saved by the single vote cast by Vice President G. Bush, who appeared there just in time and who, although he is not an elected member of the Senate, presides over it according to the Constitution and has the right to cast a vote. The same situation developed again in July 1984 during the consideration of the program of appropriations for the production of chemical weapons, as well as in May during the consideration of a program envisaging certain reductions in Pentagon appropriations.

Furthermore, certain Republican figures known for their unconditional support of the administration have not been re-elected to the Senate. For example, C. Percy, senator from the state of Illinois, who had formerly occupied the important post of chairman of the Foreign Relations Committee and who had "revised" during the election campaign his former critical attitude toward the administration and toward Reagan himself, was not re-elected. The voters of his state preferred Democratic candidate P. Simon, who has the reputation of an advocate of cuts in federal spending, especially military spending. In this connection, the question of a new Senate Foreign Relations Committee chairman in the 99th Congress arose. By seniority that post should go to Republican J. Helms, who is known for his extreme rightwing leanings and who occupied the post of chairman of the Agriculture Committee in the previous Senate. However, it is believed here that he does not intend to relinquish that post because it enables him to exercise considerable and, at times, decisive influence on such an important sphere of the U.S. economy as agriculture, taking into account the interests of big farmers and the agro-industrial complex in his own state. The nomination of the new chairman of the Foreign Relations Committee will be considered by the Senate Republican caucus later, when that body meets to make a number of decisions, including the new majority leader and the chairman of such a "key" committee as the Armed Services Committee (the head of this committee, J. Tower, did not seek re-election this time because of illness and advanced age).

R. Jepsen, extreme rightwing Republican senator from the state of Iowa, was also defeated in the elections. The majority of the state's voters "shifted" Democratic candidate T. Harkin, who previously represented Iowa in the lower

House, into the Senate to replace Jepsen. T. Harkin has the reputation of a "moderate liberal," especially in relation to military and foreign policy issues. Democrat J. Kerry, former lieutenant governor of the state of Massachusetts, who definitely opposes Reagan Administration policy in such spheres as the reduction of federal funds for the states and the offensive against civil rights, and especially in the spheres of military and foreign policy, was also elected to the Senate. Kerry has always proclaimed himself to be a firm advocate of ending the arms race and of holding constructive negotiations with the Soviet Union. In addition to that, Kerry's state of Massachusetts is represented in the Senate by such a well-known political figure as E. Kennedy, whom some people already regard as the Democratic Party's possible candidate in the 1988 presidential election.

A. Gore, a critic of the administration's policy on the issue of war and peace who has been representing the state of Tennessee in the lower House of Congress, also won a seat in the Senate. He was elected instead of the Republican majority leader, H. Baker, who did not run for re-election because--as he stated at the last Republican convention--he intends to campaign for the 1988 Republican presidential nomination.

A direct scion of the Rockefeller family is in the Senate for the first time after many years. This is John Rockefeller, governor of West Virginia, who ran as a Democratic candidate and who has the reputation of a conservative. It is rumored in Washington that this relatively young, very energetic and enormously rich politician intends to seek the presidential nomination in the next election or in 1992. This famous and "truly American" family has never given up the dream of making one of the Rockefellers president. We recall that the former governor of the state of New York, the late Nelson Rockefeller, whom Congress appointed vice president in the Ford Administration, came very close to becoming president.

The entire northeastern political establishment is placing its stake on J. Rockefeller. This establishment has lost its influence in national politics to a considerable extent as a result of the dominance of those politicians in the higher echelons of power who have been promoted by the "new money" of monopolies in the South and Southwest, where the most profitable military and closely related electronics industries are now concentrated. However, the northeastern establishment has by no means laid down its arms.

As regards the House of Representatives, the Republicans have not succeeded in winning a majority of House seats for a long time. They lost 26 seats in the House in the 1982 midterm elections, which were held at the height of inflation and economic decline, and their position in the House has consequently been greatly weakened. They succeeded in recapturing 15 seats in the past election. Therefore, the Democrats continue to control the House of Representatives in a relationship of 254 to 181, according to preliminary results.

T. O'Neill, speaker of the House and a very experienced political veteran, J. Wright, the Democratic majority leader, and D. Fascell, the chairman of the Foreign Affairs Committee, have been re-elected to the House of Representatives.

At the same time, C. Long, a prominent politician and one of the most resolute critics of the administration's foreign policy based on power politics, especially in Central America, failed to win re-election. D. Albosta, who had headed the congressional investigation of the "Reagagate" scandal resulting from the theft by Ronald Reagan's people of secret documents connected with the campaign on the eve of the 1980 election, also was not re-elected. During the entire campaign, both Long and Albosta, as well as many other Democratic candidates, were the targets of violent attacks by religious schemers like J. Falwell and other similar representatives of the notorious "Moral Majority" who actively support Ronald Reagan. In their television appearances and in the "black lists" compiled by them and distributed in millions of copies, they branded the candidates whom they consider objectionable as "liberal" and therefore "amoral individuals."

At the same time, these guardians of morality had nothing against really amoral individuals as long as they adopted a "correct" position in Congress. For example, it never occurred to them to prevent the re-election of Democrat G. Studds (Massachusetts), who had once been convicted of child molestation. Following his 1982 defeat, Republican R. Dornan, a diehard "hawk," has been elected to the House of Representatives with the support of the "Moral Majority" and the powerful California branches of the military-industrial complex.

Therefore, even though the balance of power between Democrats and Republicans has remained virtually unchanged both in the Senate and the House of Representatives, we nevertheless note that the press and the Democrats themselves are inclined to exaggerate the significance of this factor. They portray it as some kind of "safety net" that is supposed to restrain Ronald Reagan from excessively risky steps, especially in the spheres of military, foreign and social policy. The past 4 years of the Reagan Administration have already shown that an overwhelming majority of the Democrats in Congress did not generally or essentially oppose its course to any great extent. Allowing for some difficulties and reductions, the administration won the approval of the 98th Congress for virtually all of its militarist and antisocial programs. Today, too, there is no reason to believe that this situation will change to any extent in the next 4 years.

The congressional election results only confirm the groundlessness of the aforementioned claims by Ronald Reagan and his supporters that the Republican Administration has now allegedly received an "all-embracing nationwide mandate" to continue the political course on which it embarked 4 years ago.

What has actually taken place? Why has Reagan won a relative majority of votes and been re-elected regardless of all the negative consequences of his course for the United States and the entire world?

The first and foremost role in this connection was played by the fact that about 85 million voters, or about half of all the American citizens who have the right to vote (much more than the number of American who voted for Reagan), did not vote in the election. There are many reasons for that, but the main reason is that these voters became convinced long ago that there are

no essential differences between the two major parties. Of course, there are essential differences in approaches to domestic and foreign policy issues in the Republican and Democratic platforms on the basis of which Reagan and Mondale campaigned. However, only the most politically active voters were able to notice these differences. On some extremely important matters, W. Mondale was making statements which made him sound "holier than the Pope." This applies to the sphere of foreign and military policy. He was assuring the voters that he "also believes in a strong America" and "does not renounce the principle of the use of force" and even that he "also believes that Reagan wants peace."

When Mondale discussed domestic policy, especially economic problems, he disconcerted the voters with his "honest admission" that, as president, he would strive to increase taxes to put an end to the catastrophic federal budget deficit, and in this connection he was unable to substantiate this intention convincingly and intelligibly. Of course, taxes on the voters' personal incomes were involved in this connection as well as corporate taxes. The Republicans in their headquarters were rubbing their hands with joy, having received an opportunity to hit the Democratic candidate. Reagan proclaimed there and then that on no account would he allow an increase in taxes. "Over my dead body," he cried pathetically, claiming that "Mondale's plan" would allegedly increase the "average family's" annual taxes by 298 dollars and that the economic and financial policy proposed by the Democrats in general would allegedly deprive all Americans of the fruits of "prosperity" achieved by the Republicans, would throw the country into an economic slump and other miseries and would "undermine America's security."

Reagan claimed, contrary to all facts, that during the 4 years of his administration Americans had begun to live better. He was not disturbed at all by the fact, for instance, that during that period more than 35 million Americans lived below the official "poverty level," that the streets of major cities, including the U.S. capital, are filled with homeless vagrants, that more than 8 million people are still unemployed and that the number of "American tragedies" is increasing as a result of widespread drug addiction, crime and corruption. By the way, no previous administration was able to "boast" of having a cabinet member who was taken to court for actions falling under the articles of the criminal code while continuing to occupy his cabinet position. The Reagan Administration can do this: Secretary of Labor R. Donovan is precisely in that situation now. Furthermore, he is not even the first one!

None of this upset the Republican presidential candidate. On television screens and at voters' meetings that resemble farcical "shows," he invariably appeared as a benevolent "father of his country," filled with love for all Americans and with firmness toward America's foes, a "father of his country" who has "restored the nation's dignity" and inspired it with a "new patriotism" and a "new spirit of enterprise and initiative." The promoters of the "spirit of enterprise" do not care a fig about the rejects of America, whom they call parasites living at the expense of "hardworking taxpayers." Reagan cleverly depicted the unprecedented arms race, which has been unleashed by the administration, as something beneficial for America, for the Americans and even for

the entire world. Many people in the country believed the demagogic statements that the mountains of weapons accumulated by America will strengthen its security, that the "star wars" program will make nuclear weapons obsolete and will lead in general to their liquidation, and that the rearming program will allegedly create the necessary prerequisites for successful negotiations with the Soviet Union. In fact, however, U.S. security has not been strengthened at all, and the attempts at negotiating with the Soviet Union from a position of strength are producing no results.

Mondale did not know how, or did not want, to unmask the demagogy of his opponent either during the televised debates or in his public statements. At the same time, public opinion polls showed that the candidates' approach to foreign policy questions and primarily to Soviet-American relations was considered by many Americans as the main criterion for appraising them.

In this situation, Reagan and his supporters succeeded in suppressing the essence of problems and convincing wavering voters that at this time, now that America "is strong again," the administration is supposedly ready to open negotiations with the Soviet Union. In this way, the Republicans successfully captured the initiative in the sphere of "peacemaking" from the Democrats.

Finally, the Republicans have a much stronger financial basis and therefore had greater ability to attract voters to their side. Who does not know that the election campaign in America is first and foremost a matter of money? Without money you cannot find halls for meetings, you cannot organize huge dinners, you cannot print and distribute posters and pamphlets, you cannot distribute tips and gifts and, what is most important, you cannot have access to the television audience. In the decisive days of the campaign, a 1-minute appearance or a 1-minute political ad on the main television network cost the candidate and his followers a quarter of a million dollars. The "Reagan-Bush '84" committee had far more dollars than the Democrats. It was through the "political action committees" that dollars poured in from the major corporations that are lucratively producing newer and newer types of weapons. According to the official data, which do not include "personal contributions," the Republicans spent 225.4 million dollars advertising their candidate and the Democrats spent only 57.3 million. Naturally, the Republican candidate appeared on television much more frequently than the Democratic candidate.

In addition, Ronald Reagan made use of his position as President to the utmost extent. His advisers prepared programs of official appearances and of campaign events in such a way as to ensure that they appeared on the television screen at the times when the largest audience was watching the programs.

Experienced observers saw and understood very well that the Republican candidate engaged in open demagoguery during the campaign, playing on his "personal charm," and made promises his administration would never be able to keep. It will not make America invulnerable or omnipotent. It will not bring it prosperity either. R. Cohen, a WASHINGTON POST correspondent, has openly called Ronald Reagan a "dream merchant." Former President J. Carter expressed a similar viewpoint: Reagan won the election because he recklessly claimed

that everything was just fine, because Americans like to hear this and because they want everything to be just fine. We could add that the results of the incumbent administration's policy line and its potential long-term consequences are by no means to America's advantage. This matter is clear to anyone who pays attention, but those who want "everything to be fine" do not see it.

In this way, demagoguery spiced with dollars has produced its results.

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## CANADIAN CONSERVATIVES TAKE OFFICE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84  
(signed to press 19 Nov 84) pp 54-58

[Article by S. Yu. Danilov]

[Text] The general parliamentary election of 4 September 1984 in Canada resulted in a new federal government. The Progressive Conservative Party, headed by B. Mulroney, is now the ruling party. By gaining the support of 50 percent of the voters, it received an absolute majority of seats in the House of Commons--211 out of 282 (the Conservatives previously held 100 seats). The Liberal Party, supported by 28 percent of the voters, now has only 40 of the 139 seats it held before the election. The New Democratic Party (18 percent of the vote) retained 30 of its previous 31 parliamentary mandates.

It appears that the outcome of this election was primarily a result of the poor state of the Canadian economy, which has still not recovered from the cyclical crisis of 1981-1982--the most severe and devastating crisis in the country's postwar history. The economic recovery which began in 1983 has been weak and sporadic. In recent years from 11 to 12.7 percent of the labor force has been unemployed. This is the highest rate of unemployment in the last 20 years. In summer 1984 almost 1.5 million Canadians were in the labor reserve. Canada's monetary system was under a severe strain. The federal budget deficit increased catastrophically, reaching 23 billion Canadian dollars in the current year. In July 1984 the exchange rate of the Canadian dollar fell to the unprecedented level of 75 American cents. The political results of the country's economic difficulties were the Liberal Party's loss of its reputation as the party of "good times" and the considerable reduction of its influence.

By 1984 the influence of the Liberals had been fundamentally undermined by the depressed state of the economy and by the methods the Trudeau government was using to alleviate its adverse effects. By giving the struggle against inflation and the budget deficit priority in its economic policy, it consciously gave up the idea of sweeping measures to combat unemployment. The government's desire to keep capital from leaving the country motivated it to raise interest rates considerably at the beginning of the 1980's. This raised the cost of credit, led to a sharp increase in the number of bankruptcies among small and middle businessmen and undermined the Liberals'

traditional base of support in broad segments of the population (the petty and middle bourgeoisie, the inhabitants of big cities, intellectuals, part of the working class and French-Canadians). The Liberals also lost the trust of much of the ruling class, which was urging the Trudeau government to take more radical steps for the redistribution of national income, primarily by reducing total social expenditures. Rightwing and pro-American forces could not forgive the Liberals for the government's adoption of the national energy program, its constitutional reform, its institution of stricter control over the activities of foreign capital and other actions aimed at securing Canada's independent development. Through the efforts of ruling circles, the spontaneous dissatisfaction of voters with the state of the economy gradually turned into organized protests in the form of support for the Conservative Party and its pointed criticism of the Liberal government.

The Conservatives' stock rose sharply after June 1983, when they elected a new leader, B. Mulroney, an enterprising right-of-center politician who had quickly become popular among the bourgeoisie and petty bourgeoisie.\* Public opinion polls that year recorded unparalleled preference for the Conservatives over the Liberals: On the average, they were supported, respectively, by 52 and 29 percent of all respondents.

The political situation in Canada seems to have begun changing when J. Turner succeeded P. Trudeau as leader of the party and prime minister.\*\* For example, during the preparations for the Liberal Party convention in June 1984, a change in voter opinion was recorded: The Liberals caught up with the Conservatives in popularity, and then even surpassed them. This change was due, firstly, to the positive reaction of the ruling class and the population of English-speaking Canada to Trudeau's resignation and, secondly, to the characteristic bourgeois political process by which a party gains greater public attention and sympathy after it changes its leader and thereby acquires a new political image. The brief period of economic recovery and the slight drop in the rates of unemployment and inflation also had a definite impact.

The new Liberal Party leadership decided to use this favorable period to hold parliamentary elections. It also expected J. Turner, who had headed the party's right wing in the 1970's and had the trust of the business community, to regain the support of many former Liberals who had undergone a rightward shift and had joined the Conservative camp. It was assumed that the party's first English-Canadian leader in 16 years could restore the party's former influence in English-speaking Canada, particularly in the western provinces. Finally, great hopes were placed in J. Turner's reputation as an experienced and competent politician and statesman: He was in Parliament for 14 years, 7 of them as the minister of justice and the minister of finance.

Subsequent events proved, however, that the changes which became apparent in spring 1984 in the federal balance of political power in Canada were only

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\* S. Yu. Danilov, "New Leader of the Canadian Conservatives," SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, 1984, No 1--Editor's note.

\*\* S. F. Molochkov, "Pierre Trudeau Resigns," 1bid., 1984, No 6--Editor's note.

temporary. During the election campaign, which lasted from 10 July to 3 September, the Conservative Party had the upper hand. The main reason for this, as mentioned above, was the absence of prospects for genuine economic recovery. The Liberals, who had been in power for 20 years, became the focus of the public dissatisfaction engendered over a period of many years by economic difficulties.

Other factors also influenced the outcome of the race between the Liberal and Progressive Conservative parties. For example, in contrast to the 1980 election, when the Liberals advocated a stronger role for government in socio-economic affairs while the Conservatives advocated the limitation of this role, in this campaign the basic aims of the two leading bourgeois parties were essentially the same. Taking the feelings of the ruling class into account, J. Turner and B. Mulroney stressed the need to change Ottawa's policy to limit federal spending, reduce the scales of economic regulation by the government (including changes in some provisions of the National Energy Program), offer private business broader privileges and incentives and relax restrictions on foreign capital. Both of the candidates failed to clarify many of the aspects of these proposed measures. Therefore, the voters were faced by two candidates for the office of prime minister with two vague and almost indistinguishable platforms. Since the program of B. Mulroney, who was elected leader of his party a year before J. Turner, was announced much earlier than the Liberal platform, many voters acquired the notion that the Conservatives were offering the country a new way of overcoming economic difficulties. The majority of Canadians who voted for changes in the national leadership thereby expressed their hope that the new leaders would take effective measures to improve the material status of the general public.

By scheduling the election for the beginning of September, the new Liberal leadership confined the party within rigid time limits. It did not have enough time for the more careful planning of campaign strategy, the selection and approval of candidates for Parliament and the resolution of many organizational problems. It did not even have campaign committees in all provinces. The Conservative Party machine, however, was quite ready for the election this time. The Conservatives also had a financial advantage: By election day they had 14 million dollars in their treasury and the Liberals had only 2 million.

It was also significant that the Liberal Party leadership was unable to make the proper campaign use of P. Trudeau's arms race curtailment initiative, which had been put forth at the end of 1983 and was supported by much of the Canadian public. Turner's intention to continue Trudeau's peacekeeping efforts was not announced until the second half of the campaign, when the Conservative advantage was already obvious and the Liberal Party's chances to influence voter opinions had been seriously diminished.

Apparently, the "American factor" also affected the outcome of the parliamentary election. A well-coordinated, Washington-directed campaign against the Liberal Party was conducted in the Canadian mass media.

The 1984 campaign was distinguished by attempts by the two leading Canadian parties to overcome disparities of long standing in their regional base of

support. The Liberals tried to strengthen their weak position in Canada's vast and rapidly developing western region. The Conservatives made an energetic attempt to "break into" French-speaking Quebec, where their party had been extremely unpopular for many years. They took full advantage of the Liberals' loss of authority in Quebec after the resignation of French-Canadian P. Trudeau. Although J. Turner speaks French and represented Montreal in the House of Commons for several years, the choice of Turner as leader of the Liberal Party was nevertheless interpreted as a sign that the controls in Ottawa were being turned over to the English-speaking Canadians. These fears were intensified when many other Liberal French-Canadians popular in Quebec--M. Lalonde, J. L. Pepin and M. Begin--resigned during the campaign. Furthermore, the new leader of the Liberal Party tried to attract the attention of voters in the Canadian west by announcing his candidacy not in central Canada, as all of his predecessors had since the mid-1940's, but in the far west, in British Columbia, where he also spent much of his time during the campaign. Under these conditions, B. Mulroney, a native of Quebec who speaks French fluently and ran for Parliament in a Quebec district, seemed to be the right man for the job to many people in Quebec. Finally, the Conservatives were able to rely on the unofficial support of the majority of provincial parties in Quebec, from the rightwing Union Nationale to the moderate-reformist Parti Quebecois.

Another of the Conservatives' tactical weapons was the fact that, as the opposition party, they could boldly promise the voters anything the Liberal Party had been unable, for one reason or another, to deliver. According to Liberal calculations, the Conservatives made 338 campaign promises which would have entailed budgetary outlays of 20 billion dollars.

As a result of the combination of the abovementioned factors favoring the Conservatives, they were victorious throughout the country, including Quebec. The Canadian Conservatives had done this only once before in the 20th century, in 1958, when they received 54 percent of the vote and 208 of 265 seats in the House of Commons. Within 4 years, however, the government of J. Diefenbaker had lost its majority in the Parliament and was then defeated in the 1963 election, shutting off the party's access to national government for a long time.

The new government B. Mulroney formed on 17 September 1984 consists of 40 members and is the largest in Canadian history. Approximately half of these people were ministers in the governments of J. Diefenbaker (1957-1963) or J. Clark (1979-1980), and the government leader in the Senate, D. Roblin, was the premier of Manitoba Province.

The distribution of ministerial positions was influenced by the alignment of regional political forces within the Progressive Conservative Party. In contrast to the cabinets of P. Trudeau and J. Turner, there has been a sharp increase in the representation of western provinces--from 4 to 12 ministerial positions. This is the first time that these provinces have caught up with Ontario, the economic leader among the provinces, in terms of this indicator. Deputies from the west received the important offices of secretary of state for external affairs, minister of the environment, minister of energy, mines and resources and minister of fisheries and oceans. Two key economic

ministries--the Ministry of Finance and the Ministry of Regional Industrial Expansion--remained, however, under the control of representatives from Ontario.

In spite of the Progressive Conservative Party's great success in Quebec, representatives of this province received only one major position--president of the Treasury Board. Seven of the eleven ministers from Quebec were appointed to so-called state ministries and another three now head secondary ministries--the Ministry of Public Works, the Ministry of Small Business and the Ministry of Consumer and Corporate Affairs.

The majority of key positions in the new cabinet were taken by politicians whose views are right of the political center, and the minority are controlled by moderate conservatives. For example, the Ministry of Finance is headed by Michael Wilson, former vice president of Dominion Securities, a Toronto investment corporation, and former minister of international trade in J. Clark's cabinet. He is considered to be a moderate conservative and has strong ties with the Conservative Party in Ontario, which has been in power in this province continuously since 1943.

The minister of regional industrial expansion is a prominent figure in the party right wing, Sinclair Stevens, who has close ties with the business community in Ontario and the Canadian west and was the president of the Treasury Board in Clark's government. In this office he proved to be a zealous supporter of cuts in government spending with the aim of a balanced budget. As a member of the party "shadow cabinet" in the 1980's, Stevens often expressed frankly pro-American opinions.

Another rightwing Conservative, Robert de Cotret, is now the president of the Treasury Board, which controls ministerial spending. In the 1970's de Cotret advised the President of the United States on economic matters and was the president of the Conference Board of Canada, a research organization closely linked with big capital. In Clark's cabinet he was the minister of regional industrial expansion.

The minister of justice and attorney general in Mulroney's government is John Crosbie, a prominent Newfoundland businessman who also has considerable political experience: For several years he was a minister in the Newfoundland government, and in 1979 and 1980 he was the federal minister of finance. His name is associated with the 1979 draft federal budget which envisaged a significant increase in indirect taxes on consumer goods and was one of the reasons for the Conservative defeat in 1980.

The Canadian secretary of state for external affairs is former party leader and former Prime Minister of Canada (June 1979-February 1980) Joseph Clark. He is considered to be a moderate Conservative, although the plans and actions of his government with the aim of redistributing national income in favor of the ruling class and reducing the public sector in the economy do not confirm this reputation. After his defeat at the party convention in 1983, Clark headed a party executive commission on disarmament issues.

The minister of national defense is House of Commons veteran Robert Coates, who is known as a rightwing official. In the 1960's he was one of the most outspoken opponents of then party leader J. Diefenbaker, whose resignation was demanded by moderate Conservatives, and was elected national president of the party in the 1970's. Coates was one of the first members of the Conservative faction in Parliament to support Mulroney's nomination for party leader.

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## CONGRESS AND THE U.S. INTERVENTION IN LEBANON

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[Article by Yu. A. Ivanov]

[Text] The failure of the American intervention in Lebanon, which had serious political repercussions, was one of the important events of the past year. During the presidential campaign the Democrats constantly reminded the voters of this as a graphic example of the bankruptcy of Reagan Administration foreign policy.

The political struggle between the White House and the Capitol began long before the cessation of U.S. participation in the "multinational force" in Lebanon was announced on 30 March 1984. On 1 March Secretary of State G. Shultz announced that debates in Congress on the U.S. role in Lebanon had "completely undermined our diplomatic efforts" and insisted on a review of the War Powers Act of 1973.<sup>1</sup> On 4 April Reagan not only supported his secretary of state but also said that Congress "must take the blame" for what had occurred, and he even alleged that the debates on Capitol Hill had "stimulated the terrorists."<sup>2</sup>

Congress' reaction to these attacks was not long in coming and was quite emphatic. In reference to Reagan's remarks, Speaker of the House T. O'Neill (Democrat, Massachusetts) said the following about the President: "These deaths are on his conscience and the defeat in Lebanon is on his conscience, and only on his conscience." The leader of the Democratic minority in the Senate, R. Byrd (West Virginia), declared that Reagan "is trying to make Congress the scapegoat for the failure of his foreign policy."<sup>3</sup> The President's attacks even irritated members of his own party: They were criticized by the Republican leaders in the House of Representatives and the Senate, R. Michel (Illinois) and H. Baker (Tennessee).

For an objective assessment of Congress' actual role in the U.S. intervention in Lebanon and of its desire and ability to use its prerogatives by the terms of the War Powers Act of 1973, it would be useful to take a look at past events, beginning with the events of July 1982.

This was the time when the Israeli aggressors, who had invaded Lebanon a month earlier, reached Beirut and were trying to break the heroic resistance of its

defenders with a blockade and bombs. The aggressor's plans for Lebanon had been frustrated by the resolute resistance it encountered. The war had reached an impasse, and Israel was feverishly seeking a way out. Intervention by its overseas ally on the pretext of separating the conflicting sides was seen as a possible solution. It is significant that the first reports of Washington's preparations for intervention appeared precisely in the Israeli press as early as 2 July 1982. On 6 July the White House officially announced that President Reagan had "agreed in principle" to participation by American troops in the "multinational force" with the aim of "temporarily keeping the peace" in Lebanon.

The President's decision was not supported on Capitol Hill. "I do not think it is wise to involve our soldiers in the Mideast conflict," H. Baker said, and then added that he had informed the President that the majority of members of Congress, in his opinion, felt the same way. Senator D. Pryor (Democrat, Arkansas) sent the President a letter to say: "On no condition could I support the deployment of U.S. troops in Lebanon." Even as renowned a member of the conservative wing as Senator B. Goldwater (Republican, Arizona) disagreed with the President's decision, saying that sending the Marines "or any other American forces to Lebanon could, in my opinion, lead straight to a major war in this part of the world." The plans for intervention in Lebanon were also publicly opposed by Republicans M. Hatfield (Oregon), L. Pressler (South Dakota) and C. Mathias (Maryland), Democrat D. Riegle (Michigan) and others.<sup>4</sup>

On the same day that the President's decision was announced, Chairman C. Zablocki (Democrat, Wisconsin)\* of the House Foreign Affairs Committee sent Reagan a letter in which he expressed his worries about the intention to send a military contingent to Lebanon and insisted that this would signify the commitment of American troops to action or to a situation of possible combat. Section 4(a)(1) of the War Powers Act requires the President to submit a report to Congress before he takes this kind of step, and this automatically puts Section 5 in effect, limiting the use of troops to a period of 60 days (or, at the President's request, 90 days) if Congress does not declare war or otherwise sanction their continued use. Zablocki warned that attempts to act on other provisions of the same law, not entailing the automatic Section 5 restriction, would essentially be a departure from the provisions of this law.

On 25 August 1982 the U.S. Marines began landing in Beirut. That same day Reagan sent Congress a report, stressing that he was submitting it "in accordance with my wishes to keep the Congress fully aware of the situation and in accordance with the War Powers Resolution." The President informed the Congress that the troops would be withdrawn from Lebanon within 30 days and that there was "no intention or probability of the commitment of U.S. armed forces to action."<sup>5</sup> In his report he did not specify the particular section of the act in accordance with which he was submitting the report.

After the UN military contingent left Beirut, the U.S. Marines were also withdrawn from Lebanon on 10 September 1982. Commenting on the hasty departure of the "multinational force," suggested by the United States, Arab observers noted that this gave the Israeli aggressors a chance to seize the

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\* Died on 3 December 1983--Editor's note.

western half of Beirut and to take reprisals against Lebanese patriots. This was followed by the massacre in the Palestinian refugee camps of Sabra and Shatila that shocked the entire world.

When the criminal actions of its Israeli allies jeopardized the United States' main goal of creating an obedient pro-American regime in Lebanon, people in Washington decided to resume the direct intervention. On 20 September Ronald Reagan announced that American troops would be sent back to Lebanon as part of the "multinational force" to "restore a strong and stable central government in this country."<sup>6</sup>

On 29 September the U.S. Marines again landed in Beirut, and on the same day the President reported to the Congress: "On this mission, American forces will not enter into combat. They might, however, exercise their right of self-defense and will be equipped accordingly.... It is now impossible to predict with any accuracy how long the U.S. forces will remain in Beirut," but it will be a "limited period."<sup>7</sup> Again, the President did not specify the section of the War Powers Act he had in mind when he submitted the new report.

Although there was again no shortage of criticism of the President in the Congress, opposition to U.S. intervention in Lebanon was more restrained. On the one hand, as a WASHINGTON POST correspondent remarked, "members of both parties in the Congress are wringing their hands and making pointed remarks" because the "Vietnam syndrome" is still fresh in their minds. On the other, the impunity of U.S. forces during the first stage of intervention has apparently considerably allayed Congress' fears about the possible consequences of these actions.

A NEW YORK TIMES article by Senator T. Eagleton (Democrat, Missouri), a prominent liberal and one of the authors of the War Powers Act, shows that even the most critical members of Congress took a less than resolute stand at that time. "I believe that the President is violating the spirit, if not the letter, of this act," he wrote. "The essence of this policy is not in question. I share the President's views.... Congress would certainly consent to send the troops as part of the multinational force."<sup>8</sup>

Therefore, the legislators essentially had no objection to the U.S. intervention in Lebanon as such, but were merely trying to insist that the President observe the letter of the War Powers Act. It is quite probable that if the President had agreed to these demands, he would have obtained complete congressional approval of his actions. But Ronald Reagan--just as, incidentally, his predecessors--did not wish to acknowledge the powers delegated to Congress by this act, and the act therefore remained unimplemented, with the exception of the vague and noncommittal reports submitted by the White House.

People on Capitol Hill were disturbed by reports that the administration was considering a significant increase in the number of American troops in Lebanon. When the Senate and House foreign relations committees began to discuss administration requests for additional economic and military aid to the government of Lebanon in April 1983, amendments which were supposed to limit the President's options were added to the bill. The Senate committee was the scene of a fierce struggle.

The administration and its supporters in the Congress eventually had to agree to a compromise, and Section 4 of the bill approved by both houses and signed by the President on 27 June stipulated that "the President must obtain legislative approval from the Congress for any significant increase in the number of U.S. armed forces in Lebanon or for the expansion of their role." The bill also stipulated that this did not in any way "amend, limit or repeal any of the standards and procedures specified in the 1973 War Powers Resolution."

The events of subsequent months indicated that the provisions of this law were almost the only restriction imposed by the Congress during the entire period of U.S. intervention in Lebanon.

The course of events in Lebanon led to what many people on Capitol Hill had been predicting for a long time: The Marines began to suffer losses. On 29 August 1983 two American soldiers were killed and 14 were wounded. Congress was not in session at that time, but its members reacted to this news quickly. It is interesting that the most radical position was taken by two famous conservatives, Senator B. Goldwater and Democratic Congressman G. Montgomery (Mississippi), who demanded the immediate withdrawal of the Marines from Lebanon.

As far as the other members of Congress were concerned, their demands were much more moderate. For example, C. Zablocki insisted only that, now that the American troops were clearly in action, the President must submit the kind of report stipulated in the War Powers Act to mark the beginning of the 60-day period of troop commitment.

The Reagan Administration had a dual reaction to the new turn of events: On the one hand, it tried to sidestep all of the demands for full compliance with the War Powers Act and, on the other, it significantly increased the interventionist force near the shores of Lebanon and expanded its ability to participate in combat operations. In the first half of September a large U.S. military squadron, including the aircraft carrier "Dwight D. Eisenhower," was sent to the Lebanese coastline, and on 13 September the President authorized the Marines in Beirut to request air and artillery support from the squadron. In this way, he authorized the bombing and shelling of Lebanon.

Draft resolutions demanding the observance of the War Powers Act by the President were introduced in Congress during the very first days after it reconvened.

In particular, the draft proposed by Senator C. Mathias set 31 August as the beginning of the 60-day period but nevertheless granted the President another 120 days to continue the intervention. The draft prepared by the Democratic faction in the Senate simply ascertained the involvement of American forces in "combat" and insisted on the President's full compliance with the War Powers Act.

Therefore, the Congress did not go beyond demands for the observance of this law, and on this one condition it was willing to support the continuation of the intervention, and perhaps even its expansion. This position would have

provided definite grounds for a compromise if the President had been willing to make even the slightest concessions.

The White House, however, continued to stubbornly refuse to acknowledge the applicability of the War Powers Act to the American intervention, although its argument that the events in Lebanon were not "combat operations" seemed less convincing with each day.

Commenting on the situation in Washington, American correspondent S. Karnow wrote: "It is absolutely clear that the President and his staff, haunted by the specter of Vietnam, are convinced that the Congress will invariably object to any troop presence abroad. They seem to have the wrong interpretation of attitudes on Capitol Hill."<sup>9</sup>

It is possible that S. Karnow was right about the effects of the "specter of Vietnam" on the Reagan Administration. It is also possible that the administration seriously considered the possibility of another U.S. intervention operation, in Central America, and did not want to set a precedent giving Congress any kind of role in making such decisions. It is also possible that Ronald Reagan simply did not want to be the first president to completely acknowledge the provisions of the War Powers Act. But it is completely obvious that the White House kept a constant watch on the development of attitudes in the Congress. The administration realized how inconvenient a confrontation with the Congress on constitutional matters would be at that time and was willing to compromise, and the obstinacy it displayed in the first 2 weeks of September was simply calculated to create the optimal situation. And it succeeded.

The leaders of both party factions in the Congress and administration spokesmen were negotiating behind the scenes. On 20 September 1983 Ronald Reagan and T. O'Neill issued separate press releases to announce that the White House and the Capitol had reached a compromise and that a jointly prepared draft resolution would be submitted to the Congress. In his statement, the President reported that he would sign this resolution, although he had "substantial reservations about some sections." The resolution declared the applicability of the War Powers Act to the situation in Lebanon, but it also gave the President congressional approval to use the Marines there for another 18 months.

T. O'Neill and H. Baker believed that they had attained their main goal--the President's acknowledgement, even though indirect and with reservations, of the applicability of the War Powers Act to the American military contingent in Lebanon. Reagan, however, not only announced his reservations, but also said that he would sign the resolution only because it would be approved by the Congress without any major amendments.

The next day, when the foreign relations committees of both houses began to discuss the draft resolution, Reagan and Secretary of State G. Shultz made slanderous statements alleging that the Soviet Union was actively involved in the "fight for control of Lebanon." The statements appeared to be an undisguised attempt to fuel anti-Soviet emotions on Capitol Hill, emotions left over

from the incident involving the South Korean airliner, and to thereby accelerate the passage of the resolution.

As soon as the House Foreign Affairs Committee met, its chairman, C. Zablocki, who had taken an active part in working out the compromise, warned his colleagues: "We must avoid harmful amendments which will lead only to direct confrontation between the executive and legislative branches and will ultimately reduce Congress' prerogatives in a crucial sphere of foreign policy."<sup>10</sup> Under pressure from the chairman and other supporters of the compromise, the committee rejected the two major amendments proposed: an amendment on the curtailment of financing and the withdrawal of the American Marines from Lebanon after 18 months, proposed by Democrat T. Weiss from New York, and the amendment of Congressman P. Kostmayer (Democrat, Pennsylvania), envisaging the reduction of this period to 9 months. The committee approved the resolution as a whole with one insignificant amendment by a vote of 30 to 6. On 28 September the resolution was passed in the House by a vote of 270 to 161.

The discussion of the draft resolution in the Senate Foreign Relations Committee, on the other hand, immediately reflected features of party rivalry. This was connected with the position of the administration, which chose to ignore the reservations expressed by R. Byrd, leader of the Democratic minority, when the compromise was being worked out, because it was relying on the support of the Republican majority in the Senate. When the committee met, Senator A. Cranston (Democrat, California) said: "The President did not hold the proper consultations with Senate Democrats before making his announcement. The Democrats in the Senate did not consent to the President's announcement of a bipartisan agreement."<sup>11</sup> During the hearings, Chairman C. Percy (Republican, Illinois) of the committee and H. Baker used the same pressure tactics and achieved the rejection, by a majority of one vote, of the amendments of A. Cranston, envisaging full compliance with the War Powers Act, and C. Pell, envisaging the reduction of the authorized period of troop commitment in Lebanon to 6 months. As a result, the resolution was approved by the votes of all the Republicans against the votes of all the Democrats.

On the day following the vote in the House, the Senate approved the resolution by a vote of 54 to 46. Almost all of the Democrats voted against it. They pointedly criticized administration policy. Senator S. Nunn (Democrat, Georgia), for example, declared: "As far as Vietnam is concerned, we went there without realizing what we were doing, our mission grew broader and broader and we did not have enough strength to fulfill it. The resolution we are discussing is a clearly expressed intention to repeat this mistake."<sup>12</sup>

A few days later, President Reagan signed this joint resolution and it became law.

The main argument of the congressional leaders who agreed to the compromise with the administration in favor of the resolution was that its signing would make Ronald Reagan the first President to acknowledge the congressional prerogatives stipulated in the War Powers Act. Almost 10 years after its enactment, not one President had yet agreed to do this.

The resolution did contain the admission that American armed forces in Lebanon had been in a situation of "combat" since 29 August 1983, and that



congressional approval would consequently be required for their further commitment, in accordance with Section 4(a)(1) of the War Powers Act. It also said that the joint resolution represented "the concrete legislative approval needed in accordance with the War Powers Resolution" and that Congress was extending U.S. participation in the "multinational force" in accordance with Section 5(c). References to the applicability of the War Powers Act to the situation in Lebanon were made in all of the main sections of the resolution and, besides this, the concluding subsection said that it in no way "amends, limits or supersedes any of the provisions of the War Powers Resolution."<sup>13</sup>

It was completely obvious, however, that the executive branch had a different interpretation of the compromise. The President's declaration of his reservations about the War Powers Act was part of the compromise, and this was known in advance. In hearings before the House and Senate foreign affairs committees, G. Shultz stubbornly insisted that the President, as the commander-in-chief, has the constitutional prerogative to use the armed forces at his own discretion.

The resolution (Section 3) specifically stipulated that its provisions did not preclude the use of "defensive measures that might become necessary to safeguard the security of the multinational force in Lebanon." It became obvious at the hearings that the administration felt that these measures could be taken not only to defend the American Marines, but also any Americans in Lebanon, other subunits of the "multinational force" and, under certain circumstances, subunits of the Lebanese army. Therefore, the shelling of Lebanese urban and rural communities from American ships and the bombing of Lebanese territory in subsequent months may have been ordered by the administration, but they were authorized in advance by Congress in this resolution.

The resolution essentially gave the administration a completely free hand for the next year and a half. Despite the existence of definite opposition to the intervention on Capitol Hill, the overwhelming majority of the members of Congress and its leaders supported Reagan's policy in Lebanon during this stage and were therefore willing to authorize its continuation, camouflaging their capitulation with insignificant and even nonexistent concessions by the President.

Less than 2 weeks after the resolution went into effect, all of America was shaken by the shock of the explosion in the American barracks in Beirut. More than 240 American Marines died. Ronald Reagan announced: "The terrorists do not scare the United States.... We have vital interests in Lebanon."<sup>14</sup> The President's intransigent position was supported by Senate Republican leader H. Baker, Chairman J. Tower (Republican, Texas) of the Senate Armed Services Committee, and others. A statement by T. O'Neill was almost a word-for-word repetition of the President's announcement: "I do not think that terrorism should force an American retreat at this time."<sup>15</sup>

The mounting losses of American troops and the general course of events in Lebanon, however, caused many members of Congress, even those with far from liberal views, to question the policy of interventionism. Even before the explosion in Beirut, Congressman S. Stratton (Democrat, New York) wrote:

"There is cause for a new and stricter reassessment of U.S. interests and responsibilities in Lebanon."<sup>16</sup> Demands for the reconsideration of the goals and means used in Lebanon became increasingly insistent in both houses of Congress in late October and in November.

Far from all of the demands, however, were for a realistic reappraisal of the U.S. role in Lebanon. Senator S. Nunn, for example, simply proposed stronger intervention. The goals of the United States "could best be attained by the fire power of the Sixth Fleet with the deployment of most of our forces on ships. The heavy artillery and aircraft of the Sixth Fleet could pose a direct threat to Syrian positions in the Bekaa Valley, and even to Damascus itself if necessary," he wrote.<sup>17</sup>

Apparently, the Reagan Administration was considering similar actions at around the same time. On 4 December 1983, the contingent of Syrian armed forces in Lebanon was the target of a bombing raid by 28 planes of the American Navy with the personal approval of the President.

Congress was not in session at that time, but the administration took steps in advance to neutralize any possible negative reactions. The Republican leaders in the Senate and House, H. Baker and R. Michel, were informed of the projected operation the night before the raid and they issued statements in support of the administration's behavior immediately afterward.

The Democratic camp had a different reaction. This was the last month before 1984, the presidential election year, and the Democratic Party saw the criticism of Reagan's unpopular venture in Lebanon as a chance to hurt the party's opponents. Statements condemning the dangerous new expansion of the American intervention in Lebanon were made by all four senators contending for the Democratic presidential nomination--G. Hart (Colorado), E. Hollings (South Carolina), J. Glenn (Ohio) and A. Cranston. Senator Hart and Congressman L. Panetta (California) also demanded that Congress be reconvened for the resumption of the discussion of the military situation in Lebanon. Congress was not reconvened, and the administration simply ignored the Democrats' criticism.

In December 1983, 70 members of the House of Representatives from both parties demanded that the speaker make the review of the U.S. military intervention in Lebanon the first order of business. Public opinion polls at the beginning of 1984 invariably indicated that from 57 to 60 percent of the Americans favored the withdrawal of the Marines from Beirut. The Democrats were obviously striving to make use of these feelings in the campaign, which was now picking up speed. When W. Mondale announced his intention to run for the presidency, he called the administration's policy delusory and reactionary and called for the withdrawal of the Marines from Beirut within 45 days. All other contenders for the Democratic Party nomination later made their own demands for the withdrawal of American forces.

The Democrats in Congress also became more active in the very first days of the new year. Speaker of the House T. O'Neill, who had been of great help to the administration during the negotiation of the September compromise, changed

his stand. "The administration promised to accomplish a great deal in Lebanon," he said. "None of these promises came true.... Now no one knows why we are there."<sup>18</sup> The speaker formed a special group of Democratic congressmen to study the events in Lebanon and make new proposals. He also warned that "Congress' patience with administration policy in Lebanon will soon be exhausted."

There were also some changes in the positions of Republicans in both houses, who realized that the intervention in Lebanon might become one of the most touchy issues for their party in the coming election. C. Percy stated that the intervention in Lebanon no longer had the support of the American public. H. Baker refrained from public criticism but privately warned the administration that unless it revised its policy in Lebanon before the end of January, it would have to deal with congressional attempts to force these changes.

The administration reacted by organizing meetings between congressional leaders and the President, Secretary of Defense C. Weinberger and other high-level officials. The President's national security adviser, R. McFarlane, also went to Capitol Hill to talk to House Republican leaders. Deputy Secretary of State K. Dam defended the administration's position to House committees and to the group of Democrats O'Neill had appointed to study the situation in Lebanon.

During the first days of Congress' work in 1984, attention in the House of Representatives was focused on a draft resolution prepared by L. Hamilton (Indiana) and other Democratic leaders at the request of the speaker. The final touches were put on the draft by the special task force on Lebanon, and it was submitted to the Democratic faction on 1 February, where it, according to Majority Whip T. Foley (Washington), won "absolute majority support."

The contents of this document clearly prove how restrained Congress' demands were even at a time when the collapse of Reagan's policy in Lebanon was becoming more apparent each day. Above all, the document proposed by the Democrats was a concurrent resolution, which did not require the President's signature but was not binding either. It is not surprising that on the day the resolution was introduced, Reagan said: "I do not plan to pay any attention to it."<sup>19</sup> The draft resolution, despite the demands of many congressmen, set no specific deadline for the withdrawal of troops from Lebanon and did not even contain a clear demand for this withdrawal.

It is completely obvious that this resolution, dictated by campaign considerations and halfhearted in form and content, would have had no effect on Reagan Administration policy in Lebanon even if it had been passed. It was not even discussed, however, in the House of Representatives or the Senate. The administration was already planning the "redeployment" of the Marines on the ships of the American squadron, and the President had essentially already made this decision. On 7 February it was officially announced in Washington. This was not only an acknowledgement of the failure of the policy in Lebanon but also a domestic political maneuver to get rid of problems which could have injured the President considerably in an election year.

The discussion of the Democratic draft resolution in the Capitol became pointless. Although the preparations for the withdrawal decision were kept

completely secret from the congressmen and although they were not even informed in advance of its impending announcement, it was received with a sigh of relief by both the Democrats, who could now pretend to have accomplished something, and by the Republicans, who were relieved of the need to defend the President's unpopular position.

The Marines were transferred to ships and recalled from Lebanon, and it was then that Reagan tried to blame the Congress, as mentioned at the beginning of this article, for the failure of his venture.

A look back at the events of the long months of American intervention in Lebanon clearly indicates that Congress did little to interfere with the administration's actions, although they were criticized by some--and sometimes by many--of its members. The opponents of the intervention in Lebanon tried to rest their case on the War Powers Act of 1973. In essence this was the first serious test of the effectiveness of this law, and it did not pass the test. Congress was first forced into tacit agreement with the President's allegations that sending troops to a country at war was not covered by this law, and then had to approve the continuation of the intervention for an entire year and a half simply for the purpose of self-assertion and as a reminder of the existence of this law. Furthermore, in spite of the lengthy battles over the law, the executive branch never acknowledged its constitutionality and the obligatory nature of its provisions.

It is indicative that it took Congress an entire year, during which the President was actually violating the War Powers Act, to take even the kind of halfhearted measure the compromise resolution represented under the influence of the feelings aroused by the first casualties among the U.S. Marines. It is completely obvious that the passage of the resolution was possible because the overwhelming majority of members of Congress supported the goals of the American intervention in Lebanon.

Therefore, the facts testify that Ronald Reagan and his administration involved the United States in this venture and that they did this with the actual connivance of the Congress.

#### FOOTNOTES

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6. THE NEW YORK TIMES, 21 September 1982.
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14. INTERNATIONAL HERALD TRIBUNE, 25 October 1983.
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16. Ibid., 24 October 1983.
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## REAGAN ADMINISTRATION SAID TO SEEK TO IMPOSE PRESS CENSORSHIP

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84 (signed to press 19 Nov 84) pp 81-83

[Article by A. G. Tikhonova: "The Mass Media 'Under Quarantine'"]

[Text] Several articles in the U.S. press testify that Reagan Administration policy in the sphere of information is aimed at more severe restrictions on the coverage of world events. The press has directed special attention to the administration's attempts to impede the dissemination of information it wants to conceal from the American and world public. This applies above all to information about Washington's plans for aggressive actions, the excesses of the American military establishment abroad and other manifestations of power politics.

Washington's attitude was clearly revealed during the conflict which broke out between the White House and the press in connection with the armed U.S. intervention in Grenada. The refusal of the American authorities to give press organs reliable information about the nature of the events in Grenada and the establishment of what French journalist P. M. Tivolier aptly called a "censorship blockade"<sup>1</sup> around the island clearly demonstrated the worth of Reagan's allegations that freedom of the press is a principle of the American way of life.

The current administration began to put the media "in order" as soon as it assumed power. In just the first year and a half, according to a weekly published by the American Library Association, INTELLECTUAL FREEDOM, it took action 26 times to limit American citizens' access to information.<sup>2</sup>

In March 1983 President Reagan issued a directive envisaging the strictest administrative censorship of any publications by civil servants with access to classified information. This directive will essentially deprive tens of thousands of civil servants of the constitutional right to publish their views throughout their lifetime. The administration's action was resolutely condemned by broad segments of the American public. According to activist Ellen Morgenstern from the National Treasury Employees Union, Reagan's directive is "pushing the country backward, back into the 1950's."<sup>3</sup> THE CENTER MAGAZINE called the President's decision "unprecedented" and "unconstitutional": "We turned the first amendment into a joke by ruining many lives in the McCarthy era."<sup>4</sup> The Reagan Administration seems to have chosen the same line of behavior.



The magazine's conclusion reflects the American people's worries about the fate of the democratic liberties proclaimed in the Constitution of the United States, especially the references to freedom of speech and the press in the first amendment.

The Freedom of Information Act of 1966 has been regularly attacked in the White House since the first days of the Republican administration. The current position of ruling circles is not surprising in view of the important role this act played in the mid-1970's in the publication of many documents describing illegal government actions and the many years of abuses of authority by the FBI and CIA. The publication of these facts then aroused a storm of indignation in the country. Under public pressure, Congress then took several steps to limit arbitrary behavior by government officials. But the Freedom of Information Act, which was so inconvenient for the government, was already the target of harsh rightwing criticism even during the Carter presidency.

President Reagan surpassed his predecessor in his hostility toward this law. A logical result of his efforts was the bill the Republican administration was recently able to push through the Senate. It proposes, according to reports in the American press, more than 40 amendments to the Freedom of Information Act, creating numerous obstacles to inhibit its effective enforcement and "covert infringements" on the public's right of access even to unclassified information. In some cases, vague phrases are used in the bill, providing grounds for different interpretations by courts and other establishments. With the aid of these tricks, the authorities are actually trying to completely nullify the 1966 law, which entered American history as a serious victory for democratic forces and represented a "substantial contribution to the heightened self-respect of American society."

The WASHINGTON POST has cited numerous examples of the current administration's "innovations" for stronger confidentiality. They include lie detector tests for civil servants, the extension of the classified status to much broader categories of documents, the erection of barriers to restrict the coverage of military operations by reporters, etc.<sup>5</sup>

The American press has also directed attention to another aspect of Reagan Administration policy in the sphere of information control. It is attempting the infringement of the rights of academic groups, the restriction of publications and the inhibition of exchanges of scientific information between scientists and specialists from different countries. This policy is encountering mounting dissatisfaction in the scientific community.

A month after the Republicans took office, the presidents of several American universities sent the new administration a letter to warn it that the restriction of the exchange of scientific information could have a severe effect on the future development of science in the United States. The administration, however, imposed new restrictions on the publication of even unclassified information. In particular, the scientific community protested the Pentagon decision to prohibit the publication of around 100 scientific documents on optical equipment containing no classified information whatsoever. Besides

this, universities have had to decline the invitations of prominent foreign specialists several times when the authorities have imposed unacceptable restrictions on these contacts.

According to American specialists, the policy of the Reagan Administration, obsessed with the idea of preventing imaginary leaks of American scientific information and technology, particularly to the USSR and other socialist countries, could lead to a situation in which "there will be virtually nothing to classify."<sup>6</sup>

In the atmosphere of artificially exaggerated secrecy and suspicion fueled by the myth of the "Soviet threat," attempts to revive the spirit of McCarthyism are noticeable in the United States. There was a recent nationwide campaign to remove "forbidden" literature from school libraries. The banning of many books from schools and libraries is acquiring sinister proportions. Between 1980 and 1982 the number of books disappearing from school shelves increased fivefold. In 1981 more than 150 books, many of which were acknowledged classics of English and American literature, were banned in 38 states. The newspaper of the American Communists, PEOPLE'S WORLD, stressed that this practice cannot be interpreted as anything other than the "first step toward the total disregard of civil liberties."<sup>7</sup>

The banning of some foreign films also smacked of McCarthyism at times. For example, the authorities tried to pin the label of "political propaganda" on the famous Canadian environmentalist film "If You Love This Planet." Apparently, they were not pleased by the antimilitarist tone of the film, reflected in the words: "Until we throw off our indifference and fight for the prevention of nuclear war, our chances of survival in the 20th century will be slim."<sup>8</sup>

The Reagan Administration has recently been striving to limit the American public's access to information from abroad. On the pretext of "concern" about national interests, it is prohibiting the publication of statements by progressive foreign individuals and of articles about the successes of young developing countries. The refusal of entry visas to representatives of democratic circles in other countries whose motives are doubted by the authorities is again being practiced extensively. To this end, the authorities are making use of the McCarran-Walter Act, which was used as a weapon in the struggle against communist ideals during the McCarthy era. On the basis of this law, hundreds of Japanese activists in the antinuclear movement were prohibited from attending the second special session of the UN General Assembly on disarmament. The widow of the president of Chile was also refused an entry visa, and this refusal was accompanied by the cynical allegation that Hortensia Allende's presence in the United States could injure national security interests.<sup>9</sup>

The journal INTELLECTUAL FREEDOM sees a close connection between the loud campaign in defense of national security interests against the imaginary "external threat" and the increasing scales of the struggle against the democratic liberties of the American people, including "freedom of the press." It noted: "Genuine security cannot be guaranteed by stifling dissent and restricting information."<sup>10</sup>

In his search for an answer to the question of why the Reagan Administration is persistently putting information under "the strictest quarantine," American jurist P. Abrams concluded that these actions stem from the fears of ruling circles about the "potential effect of information on public opinion, which could, in turn, put the policy line of the current leadership in question."<sup>11</sup>

The tendency to limit and conceal information has been accompanied by another trend. This is a flow of misinformation unprecedented in U.S. history and intended to justify and whitewash the administration's antidemocratic policy line. All types of rumors are circulated, facts are juggled and "official" descriptions of various events are fabricated. The conveyor belt of lies and hypocrisy is operating at full speed. As a result, CP USA General Secretary Gus Hall noted, "the people of the United States have become the target of the most comprehensive and sinister campaign to cloud minds in all human history."<sup>12</sup> One of the dangerous elements of this campaign is the propaganda organized by ruling circles to publicize the militaristic and chauvinistic ideas that have already had a serious effect on national thinking.

Under these conditions, American progressive forces, particularly the American Communists, have declared the impermissibility of the unconstitutional restrictions on the freedom of information. "Now that the threat of nuclear war is greater than ever before," stressed the Communist Party newspaper DAILY WORLD, "and now that the administration is using anticommunism as an ideological means of justifying an arms buildup and an aggressive foreign policy, it is particularly important for the U.S. public to have unimpeded access to information."<sup>13</sup>

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6. THE NEW YORK TIMES MAGAZINE, 25 September 1983, p 27.
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11. THE NEW YORK TIMES MAGAZINE, 25 September 1983, p 23.

12. DAILY WORLD, 18 August 1983.

13. Ibid., 9 February 1984.

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## WASHINGTON'S PLANS FOR WORLD OCEAN ENERGY RESOURCES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84 (signed to press 19 Nov 84) pp 92-99

[Article by A. V. Korneyev]

[Text] The exploitation of world ocean energy resources is one area of research and development in the sphere of renewable sources of energy. According to American experts, known marine resources are quite substantial and could become the basis of a new energy industry as early as the 1990's. This is regarded as a possible way of reducing U.S. dependence on imported fuel and securing the necessary conditions for the conservation of U.S. strategic reserves. Definite hopes have been placed in technological cooperation with other developed capitalist countries (especially Japan, France, the FRG and Canada). Possibilities for the marketing of the new type of power facility in littoral and insular developing states are also being investigated.

The chief advantage of the current technological plans is the use of the virtually inexhaustible and uninterrupted supply of solar energy, with the world ocean as its natural storage facility. This is why the new power installations will entail virtually no fuel expenditures in contrast to nuclear plants and heat and power plants operating on organic fuel.

### Types of Marine Energy Resources

Marine renewable resources offer the promise of the profitable derivation of energy through the use of vertical thermogradients (ocean temperature gradients), surface waves, surface and subsurface currents, tides, ocean winds, salinity gradients, the biomass of artificially cultivated marine vegetation and marine sources of geothermal waters. According to American estimates, the total potential capacity of renewable world ocean resources is 18.23 billion kilowatts (see Table 1).

As a basis for comparison, we should consider the fact that the total capacity of existing power plants in the United States does not exceed 3 percent of this figure.

The main factors delaying the actual exploitation of renewable ocean resources include technical difficulties and the high costs of industrial exploitation, exceeding indicators for the use of traditional types of fuel (see Table 2).

Energy resources can be divided into three groups when the prospects for the use of renewable ocean resources are assessed. The first group includes vertical thermogradients and ocean winds (installations on shore), which could begin to be used as early as the second half of the 1980's; the second group takes in marine biomass and geothermal waters (early 1990's); and the third takes in surface waves, currents, tides and salinity gradients (not before 2000). It is quite indicative that the most realistic programs for the exploitation of ocean energy resources in the United States immediately began to be considered within the context of plans for foreign economic expansion and for naval material and resource supply operations.

Table 1

Potential Capacity of Renewable World Ocean Energy Resources  
(Estimates of U.S. Congressional Research Service)

<u>Types of resources</u>	<u>Capacity, millions of kw</u>	<u>Percentage of total</u>
Vertical thermogradients	10,000	54.8
Surface waves	500	2.7
Ocean currents	50	0.2
Tides	200	1.1
Ocean winds	170	0.9
Salinity gradients	3,540	19.5
Fuel biomass	770	4.2
Geothermal waters	3,000	16.6
Total	18,230	100.0

"Energy from the Ocean: Report of the Committee on Science and Technology, U.S. House of Representatives," Wash., 1978, p 23.

Estimates of the possible contribution of these resources to the national energy supply differ. The most valid seem to be the forecasts of the Committee on Nuclear and Alternative Energy Systems of the National Academy of Sciences, according to which renewable ocean resources could represent from 3 to 5 percent of total energy consumption by the end of the century with government and private capital investments of around 3 billion dollars.<sup>1</sup> There is no question that the actual speed with which these resources are exploited under the conditions of the Reagan Administration's present efforts to sharply reduce government's role in energy projects will depend primarily on the dynamics of organic fuel prices.

In view of the fact that underwater geothermal resources are not easily accessible or uniformly distributed and in view of the technical difficulties involved in the establishment of power plants operating on salt water, vertical thermogradients seem to be the most promising marine source of energy. Technical development and the operation of experimental installations are already being conducted in this sphere on the federal and private levels, whereas the exploitation of other resources has not gone beyond the stage of preliminary calculations and laboratory experiments. The particulars of the



projected distribution of thermogradient power plants and the distinctive features of their operation, however, could give rise to a number of complex problems of a domestic and international nature.

Table 2

Comparative Indicators of Energy Production Costs in the United States  
(Early 1980's)

<u>Types of primary energy resources</u>	<u>Cost of energy, cents/kwh</u>
Oil, coal, uranium (large-scale production)	3-6
Oil (small-scale production)	12-18
Vertical thermogradients	4-7
Surface waves	11-24
Ocean currents	13-32
Tides	5.5-11
Ocean winds	5-9
Salinity gradients	14-29

SEA TECHNOLOGY, 1981, No 8, p 23.

#### Exploitation of the Energy of Oceanic Thermogradients

Projects for the use of the energy of marine thermogradients<sup>2</sup> are based on the installation of special deep-sea or off-shore facilities for the natural solar maintenance of constant differences in water or air temperatures. Equatorial and Arctic systems have been proposed in recent years. The latter would use the significant temperature gradients (up to 30°-40°C) between sub-glacial strata of non-freezing ocean water and cooled surface air masses, but these projects are complicated by the unfavorable climatic and transport conditions of possible sites for the location of installations (the Canadian Arctic archipelago or the northern coast of Alaska) and by the seasonal nature of operations.

Equatorial systems for the utilization of temperature gradients of at least 22°C between the cold water at a depth of around 1,000 meters (+4°C) and warm surface strata seem more feasible. According to diagrammatic maps published in the United States in 1981, most of the equatorial zone with average annual surface temperatures exceeding +26°C is located in the Pacific basin. According to American estimates, the total area of this zone of the world ocean exceeds 60 million square kilometers. In the opinion of experts from Johns Hopkins University, the reduction of the temperature in this region by only 0.5°C could produce up to a billion kilowatts of electricity, or double the projected U.S. demand for electricity up to the year 2000.<sup>3</sup> The optimal locations for floating thermogradient power plants are the area near the Hawaiian and Marshall islands and the southern part of the Gulf of Mexico and the Caribbean Sea.

In contrast to traditional thermal power engineering, where temperature gradients of hundreds and thousands of degrees are generally utilized, the

much lower level of oceanic thermogradients will necessitate closed thermal cycles with special auxiliary fluids with a low boiling point--freon, propane, ammonia and others--and the design of fairly large installations weighing hundreds of thousands of tons. These systems will be designed to produce electrical power and several energy-intensive products (ammonia, hydrogen, fresh water and other chemicals with a salt-water base). There are also plans for the development of floating complexes for aquaculture, aluminum smelting, the conversion of bituminous coal into liquid and gaseous fuel and the enrichment of seabed polymetallic concretions directly on the site of their possible extraction in the open sea. Possibilities for the future development of floating bases to supply American naval ships with fuel and rations, produced in ocean complexes, are also being investigated by U.S. military circles.

Preliminary estimates indicate that the most economical types of American thermogradient power plants could compete with nuclear plants by the end of the 1980's in terms of proportional capital expenditures and energy costs. The absence of fuel expenditures will aid in the rapid recoupment of investments and contribute to higher profitability in the future (see Table 3).

Table 3

Comparative Economic Indicators of Thermal, Nuclear and  
Projected Oceanic Thermogradient Power Plants in the United States

<u>Types of expenditures</u>	<u>Thermal</u>		<u>Nuclear</u>	<u>Thermogradient</u>
	<u>Oil</u>	<u>Coal</u>		
Capital investments, dollars/kw	465	450	500-1,000	1,000-2,590
Fuel costs, cents/kwh	2.0	1.1-1.4	0.3	0.0
Energy costs, cents/kwh	3.2-6.0	2.2-2.5	1.8-3.3	4.0-7.0

SOLAR ENERGY, 1978, No 3, p 266; SEA TECHNOLOGY, 1977, No 8, p 38; 1981, No 8, p 23.

These energy systems were first proposed over 100 years ago and have been considered several times by specialists in a number of countries. The heightened interest in these systems in the United States coincided with the period of unprecedented increases in world oil prices. By the early 1980's around 20 industrial and scientific organizations were already working on the federal "Ocean Thermal Energy Conversion" program, and their activities were being coordinated by the U.S. Department of Energy. The leading industrial companies involved in these projects were such corporations as TRV Systems, Lockheed Missiles and Space, Dillingham, General Electric, Westinghouse, Linde, Dow Chemical, Honeywell, Global Marine and McDermott-Hudson Engineering. Most of the scientific work was performed by Johns Hopkins University, Carnegie-Mellon University and the University of Massachusetts (Table 4).

The possible scales of these complexes can be judged from the TRV Systems design. Its main element is a reinforced concrete floating anchored cylindrical platform around 100 meters in diameter. Four identical power units

with a total capacity of 100,000 kw are situated within the platform. Each of them consists of a heat exchanger, turbogenerator and pumping system. Cold deep-sea water is pumped in through a plastic pipe 15 meters in diameter and 1,200 meters in length. The operating temperature gradient is 20°C and the total weight is around 300,000 tons. Propeller engines will be used to keep the power plant steady at depths of over a kilometer, where anchoring is not practical. An increase in complex capacity to 400,000 kw raises its water displacement to 500,000 tons and increases the diameter of the intake pipe, which should have a capacity of 3,000 cubic meters a second, to 30 meters. The cost of this kind of installation on a floating reinforced concrete platform has been estimated at 325 million dollars. A slightly different combination of basic units with a reinforced concrete framework 180 meters high and with a cost of 350-440 million dollars for a plant with a capacity of 400,000 kw is envisaged in the design of the Lockheed Missiles and Space company.

Table 4

Projected Technical and Economic Indicators  
of American Thermogradient Power Plants

<u>Indicators</u>	<u>CMU</u>	<u>UM</u>	<u>JHU</u>	<u>TRV</u>	<u>Lockheed</u>
Thermal conversion coefficient w m <sup>2</sup> °C	70.4	--	74.0	74.0	74.0
Unit capacity, thousands of kw	200	400	100	100	160
Operational gradient, °C	22.2	17.8	21.7	22.2	18.9
Capital investments, dollars kw	1,190	710	990	1,810	2,590

CMU--Carnegie-Mellon University; UM--University of Massachusetts; JHU--Johns Hopkins University; TRV--TRV Systems; Lockheed--Lockheed Missiles and Space.

SEA TECHNOLOGY, 1977, No 8, p 38.

In 1979 the first operating off-shore thermogradient power plant with a capacity of 50 kw began to be tested in Hawaii. This plant, with a closed ammonia cycle, was designed and built by Lockheed Missiles and Space and Dillingham with the assistance of the Hawaii state government. A power plant costing around 3 million dollars and called the "Mini-OTEC" was installed on a small re-equipped landing barge and operated successfully until 1981 under experimental conditions, anchored a few kilometers from shore. A second experimental American thermogradient installation, the OTEC-1, with a capacity of around 1,000 kw, began operating in 1981. It was built on a U.S. Department of Energy contract in Portland, Oregon, on a re-equipped former Navy tanker. It was tested in 1981 and 1982, also near the Hawaiian coastline, primarily for the purpose of testing various heat exchange units and methods of combating the biological encrustation of pipelines.

A special law on the use of ocean thermal energy went into effect in summer 1980,<sup>4</sup> giving floating thermogradient power plants the legal status of ships

under the American flag and envisaging the allocation of government grants and the creation of a special federal fund of 2 billion dollars to insure 100 percent of the value of experimental installations and up to 87.5 percent of the total cost of large-scale commercial power plants. It is significant that this law essentially laid the legal foundation for the unilateral establishment of a special American coastal zone of ocean thermal energy conversion by stipulating the licensing procedures for thermogradient installations within U.S. continental shelf boundaries but outside national territorial waters. That same year Congress passed another law on R & D procedures in this field.<sup>5</sup>

Federal expenditures on the OTEC program in the 1970's totaled around 100 million dollars.<sup>6</sup> By the end of the 1970's the administration and the U.S. Congress substantially increased government allocations for ocean energy system projects, raising them to 40 million dollars a year under the influence of the energy crisis. For the sake of comparison, this represented more than half of the amount spent on the development of industrial magnetodynamic generators. The Department of Energy program envisaged the installation of a floating power plant with a capacity of 100,000 kw for commercial demonstration by 1985. In 1981 General Electric, Brown and Root, Ocean Thermal and several other corporations completed designs for closed cycle installations with a capacity of 40,000 kw, to be located on stationary platforms off the coast of Puerto Rico and Hawaii. The prospect of producing ammonia with the aid of ocean thermal energy aroused the interest of 13 American chemical firms, which considered the possibility of forming a consortium to finance the development and construction of an experimental floating 100,000-kw installation with a yield of up to 284 tons of liquid ammonia a day.<sup>7</sup>

Scientific, technical and commercial cooperation with other countries, especially Japan, began to be organized in the sphere of ocean energy conversion. Japanese government organizations and private firms took an active part in American projects for the development of energy supply systems, not dependent on oil deliveries, in the Pacific Trust Territory of Micronesia.

In recent years, however, the Reagan Administration's sharp cuts in government allocations for advanced energy R & D programs, the drop in world oil prices and the temporary stabilization of energy consumption have effectively curtailed the OTEC program. Program funds in fiscal years 1982 and 1983 amounted to only 4.8 million dollars, and the next year no allocations at all were earmarked for this purpose.<sup>8</sup> Total federal expenditures on all solar energy projects (including marine resources) were cut by 83 percent between 1981 and 1984.<sup>9</sup>

Obviously, this does not mean that the United States has decided not to use the world ocean as a source of renewable resources and many other types of resources. The opposite is more likely. This is simply a matter of "economic philosophy." It must be done either by "business" or by the government. The Reagan Administration is known to prefer the former.

Although the reduced commercial activity in the production and international marketing of energy resources during the crisis in the capital economy in the early 1980's led to the relative overproduction of these resources in capitalist countries, the majority of Western experts believe that this situation is

only temporary. According to the forecasts of the U.S. Department of Energy, for example, world oil prices at the 1982 rate of exchange could rise from 165 dollars a ton in 1984 to 288 dollars in 1990 and 575 dollars in 2000.<sup>10</sup> The structural reorganization of the U.S. fuel and energy supply through the diversification of primary energy sources and a gradual increase in the proportional use of renewable resources, particularly world ocean resources, will be continued over the long range.

#### Some Problems

Hypothetically, we can say that these projects involve three stages: the testing of experimental prototypes; the operation of a single industrial model; the series-construction and extensive use of marine power plants. The use of marine energy resources will entail the resolution of complex technical, financial and legal problems. There is also the possibility of international conflicts, which could grow most acute during the last stage.

The technical elements of the experimental testing stage consist in the search for methods of guarding heat exchange structures against corrosion and biological encrustation, the choice of the appropriate fixtures for the pumping of cold water, the development of stress- and pressure-resistant components and the regular monitoring of the underwater portion of deep-sea facilities.<sup>11</sup> From the standpoint of private corporations, financing could entail considerable difficulties under the conditions of high commercial risk. There is also the need for new domestic legislation for the guarantee of additional government grants and an acceptable tax rate and for the creation of large joint insurance funds during the second and third stages. Since the United States has refrained from signing the new 1982 international Convention on the Law of the Sea, many aspects of the legal status of future American ocean-based installations in international waters are still in question.

Some hypothetical international conflicts can already be foreseen. Above all, the series production of these power plants and their installation in the ocean will lead to the inclusion of vast central regions of the ocean and some sections of the coastal waters of many insular and littoral states in the sphere of the United States' "special economic interests." The establishment of "safety zones" around floating thermal power plants and the performance of various auxiliary operations connected with their exploitation will impede international shipping and fishing in specific regions. There is also the possibility that these floating installations will be used for military and reconnaissance purposes. Some large American and Japanese industrial corporations working on these projects are already considering the possible creation of international marine energy consortiums to reduce the anticipated commercial risk. This could give rise to a number of complex problems in connection with disputes over the national jurisdiction of jointly owned installations or installations owned by transnational corporations but operating in international waters under the most "convenient" flag.

Accidental spills or emissions of large quantities of such toxic thermal cycle reagents as ammonia, freon and high-molecular hydrocarbons, as well as other compounds containing chlorine or fluorine, pose a substantial threat to

the marine environment. Complex ecological problems could also arise in connection with the disruption of the natural balance of local oceanic currents as a result of the artificial elevation of cold subsurface water to the surface in equatorial regions.

These and other potential negative aspects of the large-scale exploitation of ocean thermal energy require careful and thorough preliminary investigations and analysis.

As mentioned above, most of the world ocean thermal energy resources are in the Pacific basin. The intention of the United States and Japan to combine the economic exploitation of Pacific natural resources with plans for the formation of a new regional imperialist group has been obvious in recent years. Detailed plans for international regional cooperation in the exploitation of the ocean and the use of marine resources have been thoroughly examined in numerous papers by American and Japanese government and scientific groups studying cooperation in the Pacific basin in line with the idea of the so-called "Pacific Community." Judging by all indications, this is one of the specific ways in which the United States and Japan hope to make active use of new scientific and technical means of pressuring developing countries in the region.

Under the conditions of the substantial technological superiority of the United States in this field, the offer of scientific and technical assistance to developing countries will heighten the control of their economies by American corporations. The attempts of littoral and insular developing states to unilaterally declare areas outside the 200-mile economic zone regions of their special economic interests might even be supported by the United States for egotistical or speculative purposes in line with its current foreign policy aims.

The USSR and other socialist countries have repeatedly put forth precise and realistic initiatives to improve international relations in the world ocean. A specific example can be seen in the 1982 Soviet proposals on the extension of confidence-building measures to the seas and oceans, especially in regions of the most heavily used sea lanes, for the purpose of turning as much of the world ocean as possible into a zone of peace within the near future. In a letter to the UN secretary general, the Soviet Government recently reaffirmed its willingness to begin immediate talks on the limitation of naval operations and naval weapons.<sup>12</sup>

Naturally, the USSR has the inalienable right, as do other states, to use ocean energy resources not only in its coastal zone but also in central regions of the world ocean. The Soviet Union wants to secure the freedom of shipping in the open seas and international straits, as well as unimpeded access to the open seas for the operation of various marine industrial and economic facilities and engineering operations. The USSR has also consistently advocated the creation of all of the necessary political conditions for broad and equal international scientific and technical exchange during the course of ocean exploitation.



International cooperation in the use of the raw materials and energy resources of the world ocean must take the legal interests of all states without exception into account, regardless of their traditions and political systems.

#### FOOTNOTES

1. NATURE, 1980, No 5, p 116.
2. The abbreviated name of these projects in the United States is OTEC (Ocean Thermal Energy Conversion).
3. "Ocean Thermal Energy Conversion: Hearings Before the Committee on Merchant Marine and Fisheries," Wash., 1980, pp 465-469.
4. "'Ocean Thermal Energy Conversion Act of 1980'--Ocean Thermal Energy Conversion: Hearings Before the Committee on Merchant Marine and Fisheries," pp 242-301.
5. "Ocean Thermal Energy Conversion Research, Development and Demonstration Act of 1980," SEA TECHNOLOGY, 1981, No 1, pp 14-15.
6. "Marine Technology 80: Decade Oceans 16th Annual Conference," Wash., 1980, p 334.
7. AIAA PAPERS, 1981, No 2565, pp 1-6.
8. SEA TECHNOLOGY, 1982, No 8, p 21.
9. GOVERNMENT R AND D REPORT, 1983, No 3, p 8.
10. OIL AND GAS JOURNAL, 1983, No 41, p 64.
11. D. Deudney and C. Flavin, "Renewable Energy: The Power To Choose," N.Y.-London, 1983, p 77.
12. IZVESTIYA, 15 April 1984.

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#### CFR PUBLICATION ON EUROMISSILES REVIEWED

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84 (signed to press 19 Nov 84) pp 108-110

[Review by V. I. Mizin of book "Nuclear Weapons in Europe" by W. G. Hyland, L. D. Freedman, P. C. Warnke and K. D. Voigt, edited by A. Pierre, "Europe-America. 1," Council on Foreign Relations, N.Y., 1984, X + 118 pages]

[Text] American political analysts have written several works on the nuclear resistance in Europe. They can be divided into three groups: apologetic works, elaborating some kind of "theoretical grounds" for official Washington Eurostrategy; works criticizing the NATO "double decision"; and eclectic-objectivist works, focusing only on a few negative aspects of Washington's plan to undermine the military-strategic balance between the USSR and the United States and between the Warsaw Pact and NATO. The latter group includes a study recently published in New York, "Nuclear Weapons in Europe," the first publication written by a team of authors, including experts from Western Europe, under the auspices of the influential Council on Foreign Relations as part of the "Europe-America" project.

In a foreword, project director and CFR senior research associate A. Pierre remarks that "the role of American nuclear weapons in the defense of Western Europe has been debated almost from the time of NATO's founding" and that NATO's "double decision" gave rise to even more "fundamental questions." Here are some of them: Should Western Europe's security continue to be safeguarded exclusively by the United States, and if so, then to what extent and in what form? What role should the American nuclear weapons deployed on the European continent play in the defense of Western Europe? What place have battlefield nuclear weapons been assigned in NATO strategy? Can the improvement of NATO conventional weapon systems reduce the dependence on nuclear weapons and to what extent? Should NATO pledge no first use of nuclear weapons? How can nuclear arms problems be solved by means of negotiations, and which is the best forum for this? This is far from a complete list of the matters discussed by the authors of this collective work. They examine these questions from different vantage points, but they are united, as Pierre writes, by an understanding of the need "to define the role of nuclear weapons in the defense of Western Europe within the broad geopolitical context of East-West relations" (p 3).

In the opinion of FOREIGN AFFAIRS editor W. Hyland, the key problem is not the number of American nuclear weapons to be deployed in Western Europe, and not the "Soviet threat" to Western Europe, but the "continuing struggle for the future of Europe, and the decision whether Western Europe will continue to safeguard its security in close dependence on the United States or whether the NATO states will take increasing responsibility for their own security" (p 15).

The real question here is whether the United States will continue to be the leader in NATO. There are growing doubts about this on both sides of the Atlantic.

Briefly reviewing the main aspects of transatlantic relations in connection with NATO nuclear policy, Hyland says that they are distinguished by a loss of West European trust in the so-called U.S. "nuclear guarantees." As for Washington, it, in the author's words, has tried from the very beginning to discourage the view that the chief aim here is not so much the defense of Western Europe as the reinforcement of American strategic positions on the continent. In the author's opinion, U.S. land-based nuclear forces in Western Europe were supposed to be, despite their military vulnerability, a tangible symbol of the American commitment to defend its allies against the mythical "invasion from the East" (p 19). One of the reasons for NATO's notorious "double decision" was precisely the desire to maintain the allies' trust in U.S. "nuclear guarantees." With a view to the regrettable attempts to impose neutron weapons on the West Europeans, the United States was determined to achieve complete agreement in NATO before implementing the decision to deploy the medium-range nuclear missiles. Hyland makes the interesting comment that there was only "minimal correspondence between the final number of weapons to be deployed and such conventional military criteria as survivability or sufficiency of fire power."

It is true that the final number of Pershing II missiles (108) and land-based cruise missiles (464) was arbitrarily chosen by President Carter's national security adviser, Z. Brzezinski, and his staff for the purpose of securing a "surplus" for bargaining with the USSR (p 20). As a staunch supporter of the "double decision," Hyland expresses the view that the "tragedy" of the late 1970's and early 1980's for NATO consisted in the fact that sensible and consistent efforts to correct some military miscalculations in the deployment of medium-range NATO nuclear forces were obscured by the heated arguments in the West over the general strategy of dealing with the Soviet Union.

Whereas Hyland describes the political motives behind the NATO "double decision" in detail without questioning its expediency, K. Voigt, an expert on foreign and military policy from the SPD faction in the Bundestag, frankly states that this action was absurd from the military standpoint, because it only heightens the danger of nuclear war. He also expresses doubts about the possibility of waging a "limited nuclear war" on the continent (p 98). Prominent American expert on arms control P. Warnke agrees completely with the views of this West European expert on military affairs, saying that the idea of the "defense of Europe" will lose all meaning if NATO should start using nuclear weapons.

The West European protest movement against the U.S. plans to turn the West European countries into a launching pad for American nuclear missiles troubles prominent bourgeois political analysts. London University Professor L. Freedman, an expert on nuclear weapons who supports, as Hyland does, the NATO decision on the "Euromissiles," attempts to analyze the factors leading up to the decision to deploy U.S. nuclear weapons in Western Europe. In contrast to Hyland, who emphasizes the political significance of the "double decision," Freedman is the only one of these authors who tries to use military arguments to validate the "need" to deploy the American missiles.

Daring to say what others prefer to omit, he remarks that the deployment of the new American nuclear missiles in Western Europe is not at all a "modernization," as NATO circles christened it, but an important reversal in the policy of this bloc, one of the signs of the general confrontation approach to problems in East-West relations, an approach NATO adopted in the late 1970's (pp 47-48). Freedman admits that these weapons were deployed not so much to counteract the "Soviet military threat," as American propagandists have alleged, or to overcome the alleged NATO lag in conventional weapons, but to effect the "nuclear intimidation" of the Soviet Union (p 51). Although the English expert then tries to drown this key admission in a flood of typical bourgeois political rhetoric about the "need to counteract the buildup of Soviet nuclear forces in Europe," he clearly reveals the primary aim of the U.S. efforts to impose nuclear weapons on the West European states.

Warnke completely disagrees with Freedman's point of view. He conclusively proves the futility of the deployment of American medium-range nuclear missiles precisely from the standpoint of military strategy (p 94). Warnke stresses that this move can only undermine FRG security. Voigt agrees with him, resolutely refuting the allegations of Western and American propaganda about the threat of a Soviet invasion of Western Europe. He advocates the immediate reduction of nuclear weapons in Europe and the revision of NATO strategy.

Therefore, the study reveals the two diametrically opposed approaches of Western political analysts to the issue of the deployment of American missiles in Europe.

The authors of this collective study also examine the problem of American battlefield nuclear weapons and arrive at the conclusion that they should be reduced substantially. Freedman expresses the view that their presence in Western Europe only diverts resources from the improvement of conventional weapons. The other three authors agree in principle with Hyland, who notes that although the military significance of battlefield weapons is declining, the political price that must be paid for them is rising (p 42). They propose the unilateral reduction of these weapons by the West as an effective propaganda move to undermine the antinuclear movement in the NATO countries.

All of the authors of this study advocate, contrary to the Reagan Administration's position, the unification of the talks on nuclear arms limitation in Europe and on strategic arms limitation and reduction (START). Stressing the connection between them, Freedman actually acknowledges that the Pershing II and cruise missiles pose a strategic threat to the Soviet Union. Hyland also supports the combined negotiation of these issues, because he believes that

this could also put questions concerning English and French nuclear forces on the negotiation agenda (p 40).

The need to eliminate the danger of nuclear war, to effect a transition to detente in international relations, to settle disputes in Soviet-American relations and to resume the talks broken off by the United States, which should be conducted on the basis of equality and equivalent security, mutual consideration for legitimate interests and non-intervention in one another's internal affairs, is being recognized by all sensible people in the West and has won support in political and scientific circles. The heated arguments between the authors of this book provide evidence of this. Their approaches differ, but they agree that steps must be taken--and without delay--to alleviate international tension in Europe and the rest of the world. This kind of reversal, however, does not fit into the plans of the Reagan Administration.

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#### BOOK ON PSYCHOLOGICAL WARFARE REVIEWED

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[Review by V. S. Guseva of book "Psikhologicheskaya voyna" [Psychological Warfare] by D. A. Volkogonov, Moscow, Voenizdat, 1983, 286 pages]

[Text] Doctor of Philosophical Sciences, Lt-Gen D. A. Volkogonov thoroughly analyzes the essence and content of psychological warfare, which he defines as subversive activity by imperialism in the sphere of public opinion.

The dramatic increase in the aggressiveness of international imperialism, especially American imperialism, in the 1980's, the author remarks, has necessitated changes in the strategy and tactics of psychological warfare: "It has become an element of government policy with all of the appropriate agencies, centers, long-range objectives and means of attaining them. In essence, this could be called an established psychological war machine made up of various elements reflecting its organizational aspects and content and the methods of waging this kind of war" (p 105).

Special research centers have been placed at the service of psychological warfare. For example, since the beginning of the 1980's the Hoover Institute of Stanford University in California has taken on much more work in this sphere. Such anti-Soviets as Professors Kaplan, Karber, McDonald and others have already spent many years searching for means of the "spiritual erosion" of socialism. The strategic concepts of psychological brainwashing are perfected in this institute and other such centers, and brainwashing techniques and methods are invented. The highest echelons of political power in the United States and NATO also plan operations of psychological warfare. Their actions are closely coordinated with those of research centers, confirming and reaffirming the pertinence of what V. I. Lenin said more than 60 years ago about the organization of anti-Soviet campaigns in the West. "This is one choir and one orchestra.... The conductor there is international capital."\*

The author analyzes the work of the psychological warfare centers and establishments in detail in the sixth chapter, noting the close connection between

\* V. I. Lenin, "Poln. sobr. soch." [Complete Collected Works], vol 43, p 139.



government agencies of imperialist propaganda in the United States, such as the United States Information Agency, and numerous "public" associations, councils and foundations.

In his analysis of the strategy of psychological warfare, D. A. Volkogonov underscores its clear militarist aims. The preaching of reliance on force, America's "right" to be number one, the need to "repulse the threat from Moscow"--these are recurring themes in most propaganda, he writes, noting the "attempts of NATO and U.S. ruling circles to move, whenever possible, to more vigorous and offensive subversive activity" (p 108).

As far as the tactics of psychological warfare are concerned, the author stresses that they are based on a highly selective conditioning process, the quick reworking of arguments to fit changing circumstances and the comprehensive use of various means and methods.

The primary object of imperialist psychological warfare is youth, "the social group with the least social experience." For this reason, in the opinion of U.S. and NATO strategists, it is the group least likely to resist brainwashing (p 7); it is precisely among young people that the ideologists of imperialism are striving to cultivate apolitical and skeptical attitudes and to infect them with alien tastes and morals. The intelligentsia in the socialist countries--the transmitters of spiritual and cultural values--also receives special attention. In recent years, the author says, intensive psychological warfare has been waged against soldiers in the Soviet Army and the armed forces of the socialist countries (p 127). "Whereas in the 1970's," he writes, "bourgeois radio programs designed for a military audience were sporadic, they began to be broadcast regularly in the early 1980's and constitute a high percentage of total broadcasts" (p 150). In U.S. and NATO military manuals, the author remarks, psychological warfare is defined as "one of the main ways of lowering enemy morale" (p 183). Besides this, U.S. and NATO military leaders attach great significance to the class and ideological conditioning of soldiers and officers in their own armed forces.

The author puts U.S. new agencies and subversive radio stations like Radio Liberty/Radio Free Europe at the top of the list of means of waging psychological warfare. In reference to the latter, he writes: "Readers can regard Radio Liberty and Radio Free Europe, stations financed by the United States and broadcasting from the territory of the FRG, as examples of how bourgeois centers organize their ideological sabotage.... All of the broadcasts of these stations are diversionary and subversive" (p 144).

The author describes how the psychological warfare machinery created by imperialist propaganda is manipulating public opinion (through the transmission of the "necessary" information, the concealment of facts, the over-emphasis of certain details, etc.) and systematically misinforming the public (pp 112, 114, 115). The author notes that U.S. imperialism will stoop to literally any means and methods of psychological warfare: "The arrows of psychological warfare carry blackmail, provocation, fraud, slander, malicious lies, the excitation of emotions and anxieties, political confusion and so forth" (p 126). The author also examines other widely used means and methods

of this kind of warfare, such as the diversion of public attention, with the aid of a noisy anti-Soviet campaign, away from a political event that might discredit the American administration.

D. A. Volkogonov's book is of indisputable interest. It is quite pertinent and the documented facts collected by the author are unique.

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MARTIN BRIAN MULRONEY--PRIME MINISTER OF CANADA

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 12, Dec 84 (signed to press 19 Nov 84) pp 117-119

[Article by S. D.]

[Text] After the general parliamentary election of 4 September 1984, Martin Brian Mulroney, the leader of the Progressive Conservative Party, succeeded Liberal leader John Napier Turner as prime minister of Canada, the 18th in the country's history.

B. Mulroney was born on 20 March 1939 in the small town of Baie Comeau (in northern Quebec). His Irish-Canadian family originally settled in Canada in the 1840's. He attended St. Francis Xavier University (Nova Scotia) and Laval Universite (Quebec), where he studied law and political science.

Mulroney joined the Conservative Party in 1955, when he was still a student, although his parents had always voted for Liberals. This party, which had long been in the opposition and had an acute need for new young members, then offered him, in his opinion, the best promise of a political career. His hopes for rapid advancement in the Conservative hierarchy were soon justified. By 1956 he was one of the leaders of "Young Canadians for Diefenbaker," the national committee campaigning for the election of this politician as leader of the Conservative Party, and was then a delegate to the party convention where Diefenbaker won the victory that allowed him to become prime minister of Canada (1957-1963).

In the early 1960's B. Mulroney was one of J. Diefenbaker's unofficial advisers. Their different approaches to the problems of Quebec, however, soon put an end to this collaboration, and after the Conservative Party defeat in the 1963 election Mulroney was one of the opposition activists striving for Diefenbaker's resignation from the position of party leader. Diefenbaker did resign in 1967. A year before this Mulroney took another step in the Conservative hierarchy when he was elected a member of the political committee of the party national executive committee. The main sphere of his party activity, however, was not the central bodies of the Conservative Party, but Quebec, where he gradually became an influential figure (in the early 1970's Mulroney was appointed the chief campaign organizer and fundraiser for the Conservatives in Quebec). Nevertheless, Mulroney avoided running for election on his party ticket for a long time because, as he says, he wanted to be financially secure first.

His university degree opened the doors of Montreal's largest law firm, Ogilvy, Cope and Porteus, to him in 1964. In this firm, which had the reputation of a supplier of personnel to both leading parties and the federal government, he specialized in labor conflicts and soon made a name for himself as a master of compromise. He began to be engaged by prominent businessmen--for example, P. Desmarais, the richest French-Canadian in the country--and the man who was then the president of the Canadian branch of a large American mining company, Iron Ore Company of Canada, became his sponsor. In 1974 Mulroney became a member of a commission formed by the government of Quebec to investigate violations in the construction of a hydraulic power complex on James Bay in northern Quebec. During a year of investigation the commission uncovered a depressing picture of bribery, the embezzlement of public funds, violence and other abuses and issued a number of recommendations to correct the situation. The commission's efficient and decisive actions were largely due to American capital's interest in the quickest possible startup of the complex, much of the energy of which was earmarked for the needs of border regions in the United States.

The thorough coverage of the work of this commission on television made Mulroney a well-known name throughout Quebec, and soon after the completion of the investigation he made his first attempt at a public appearance on the national political stage. In fall 1975 he ran for national party leader in the anticipation of the resignation of Conservative leader R. Stanfield. His lack of political experience, however, had a perceptible effect on his campaign. For example, to attract the attention of the mass media, he made unexpected statements, with political undertones ranging from leftist radical views to extreme rightwing attitudes. Although he acquired some national fame in this way, he nevertheless only came in third at the party convention, after J. Clark and K. Wagner.

In 1976 Mulroney became the vice president and then the president of Iron Ore. The company was facing difficulties: Relations between labor and management were quite strained, there were frequent strikes at enterprises, and stockholders had not received dividends for several years. To alleviate tension, Mulroney agreed to participation by union activists in the discussion of production matters and to a slight increase in pensions and worker benefits. He regularly visited company enterprises and the homes of workers. When the company began operating at a profit again in 1980, the business community attributed this to Mulroney's executive skills.

According to Mulroney's biographers, his Iron Ore experiences put him in the economic and political stratosphere of Canada and the United States. He constantly had to conduct business with the governments of Quebec and Newfoundland and with the federal government. He acquired much broader contacts in the sphere of big business: He became a member of the boards of 13 corporations, including one of the country's five leading banks, the Canadian Imperial Bank of Commerce. He made regular business trips to the United States and established contacts with American financiers and industrialists and with state and federal government officials.

The defeat of the Clark government in the 1980 election after 9 months in office stimulated his opponents. Of all the potential contenders for the

position of party leader, B. Mulroney acted with the greatest discretion and a clear sense of purpose. Refraining from public criticism of J. Clark, he made a series of trips during a fundraising campaign for the party in 1981 and made active use of them to increase his own popularity. At the convention of Quebec Conservatives in March 1982, all of the key positions in this organization were taken by Mulroney's supporters, guaranteeing his support by the party machine. When J. Clark submitted his resignation in January 1983 and the office of party leader became officially vacant, Mulroney confidently announced his candidacy.

Mulroney's campaign in 1983 was dignified and reserved. He did not advertise his candidacy in newspapers and on television but focused his attention on the delegates to the coming party convention. Although he obtained abundant financial assistance from big capital (his supporters included, according to reports in the press, prominent businessmen P. Desmarais, C. Black and S. Roman), Mulroney nevertheless spent "only" 600,000 dollars, while his chief opponents, J. Clark and J. Crosbie, spent from 750,000 to a million dollars. Mulroney tried to turn his lack of parliamentary experience into something like an asset by underscoring his successes in the practice of law and management. Another of his trump cards was his fluency in both of Canada's official languages--no other candidate for party leader could compete with him in this area. At the party convention on 12 June 1983, Mulroney received 1,584 votes against J. Clark's 1,325 in the fourth ballot and became the new leader of the Canadian Conservatives. He was supported by many individuals from the party right wing--former ministers J. Heath and S. Stevens and former president of the party R. Coates--while most of the moderate wing continued to support J. Clark. At the subsequent parliamentary election on 29 August 1983, Mulroney was first elected to the House of Commons.

Mulroney is the first leader in the history of the Conservative Party who had direct contacts with American capital prior to taking this office. His work in Iron Ore brought him in contact with the sector of the Canadian economy where U.S. capital holds a particularly strong position. He has repeatedly announced his intention to restore trust between Canada and the United States. It is indicative that after the Canadian election results were announced, Ronald Reagan telephoned Mulroney to congratulate him personally and then invited him to make an official visit to Washington.

In matters of foreign policy, B. Mulroney is guided primarily by the aims of rightwing political groups in North America. His views on major foreign policy issues coincide with the views of the majority of Conservative Party members, who have constantly moved to the right in this sphere in recent years. He advocates an increase in Canada's military spending, the size of its armed forces and its participation in NATO and supports the testing of American cruise missiles on Canadian territory.

The Conservative leader could not ignore the strong antiwar, pacifist feelings in the country, however, and had to take them into account in his foreign policy statements, which also contained appeals for peace and for the cessation of the arms race.

Mulroney hopes to revitalize the Canadian economy by offering business much broader privileges and further reducing restrictions on foreign capital. He advocates the reduction of state economic regulation, the transfer of state corporations to commercial operations and the revision of certain provisions of the National Energy Program that "discriminate" against business.

B. Mulroney is a Catholic. He is married and has a daughter and two sons.

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